

Title: Adaptive Reuse of Historic Churches in New York City: the Opportunities and Challenges for Community Development

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Urban Planning Thesis

by

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ABSTRACT

This thesis, set in New York City and Pittsburgh, seeks to explore the various outcomes of adaptive reuse of old religious properties, the opportunities for community development within adaptive reuse strategies, potential obstacles to its success, and the ways to make it more feasible. New use as market-rate condominiums or co-ops is the most common type of conversion of churches in New York City, but other uses have been successful elsewhere. The thesis seeks to identify the reasons behind the typical adaptive reuse outcomes in New York and compare them to Pittsburgh, where various factors have allowed churches in to be used for community development, neighborhood regeneration, and commercial establishments. In order to understand the opportunities presented by adaptive reuse, this thesis covers the roots of adaptive reuse starting from its emergence from the historic preservation movement to its popularization in the present time in history. In an attempt to comprehend the various outcomes for case studies in the two cities, this study explores the demographic and economic features of the neighborhoods where the churches are located, and draws from the knowledge from literature, relevant policies, the discussion on various incentives, and personal interviews to paint a comprehensive picture of why, how, and under what conditions certain churches are adapted. Finally, the many aspects of each case study are brought together and analyzed in a multi-scalar comparative analysis, providing an in-depth understanding of the determinants for the successes stories. For the one church in this study that has not yet been adapted, I propose recommendations that could, in theory, lead to a successful conversion to new use. It is my hope that this thesis will help to understand why church conversion outcomes are such as they are, and how the adaptive reuse can help to preserve historic churches and benefit the communities in which they are located.

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PREFACE

As I was walking through the Ocean Hill part of Brownsville, Brooklyn about a year ago I came across what looked like the tip of an old church across the Atlantic Avenue viaduct. It took some time to locate the church, as the neighborhood is severed from multiple directions by transit and road infrastructure – a pedestrian’s worst nightmare. When I finally got to the church I was surprised to see trash piles and abandoned shopping carts by the steps, certainly not a sight one would associate with a church in 21st century New York City. The building was architecturally impressive and its monolithic grey mass was imposing, but something about it was truly elegant. The church had been vacant, it seemed, for years, and its dilapidated state detracted from its former splendor.

I had all but forgotten about the church, and it wasn’t until I started exploring various topics for my thesis that the church came up again. The Italian-American community which had built the church and once comprised the majority Ocean Hill and had moved away rallied to try to save the church, which was slated for demolition just a year ago. Deep into my research I discovered that the church could still be saved, thanks to the efforts of various community activists and preservationists. But having seen the church in person, it was difficult to imagine what possible use could be found for the vast, decaying behemoth of a building in that neighborhood, and with what money?

Since urban planning is about problem-solving, here was a big problem to deal with – a problem which can be addressed in many ways – and from many perspectives. I thought it was a worthy topic for my Master’s thesis.

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I extend gratitude to my second reader, Professor Carol Clark from the Historic Preservation Program at Columbia. Taking her introductory course on Preservation Planning solidified my conviction that this topic was right for me. Her lectures were among the most stimulating and engaging that I have experienced during my Graduate School experience. Her passion for preservation is in unmistakably evident in every minute of every class. I thank her for introducing me to the significance of historic structures to communities and to the tools for preserving these beautiful buildings at the disposal of various actors. Professor Clark directed me to multiple people and sources of information that proved to be useful in giving me a comprehensive understanding of the topic.

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INTRODUCTION

Adaptive reuse has been steadily gaining popularity since it was first recognized as a mode of historic preservation. Sometime between the mid-60s and early 70s the idea that you can take a beautiful but obsolete building and make it useful again did not seem so crazy anymore. Ada Louise Huxtable had hinted at the very essence of adaptive reuse when she said, “Preservation is the job of finding ways to keep those original buildings that provide the city’s character and continuity and of incorporating them into its living mainstream,” not placing them in “sterile isolation.” (Huxtable, 1965). In essence, such a doctrine calls for buildings that are historic, and whose façades are capable of being renovated, to be kept intact, while their interior is put to a profitable use. Since profit generation has been a key motivating factor, we need to look at adaptive reuse as not only a way to preserve the past, but to adjust it within the modern context, where if it doesn’t make dollars, it makes no sense. However, as we will see that even when it does not generate profit the adaptive reuse of old buildings can be a tool for the revitalization of neighborhoods and distressed areas, as it fosters job creation, increases the value of properties, and augments revenues for state and local governments through the increased tax revenue (Latham, 2000). In addition, reusing old structures can provide space for new businesses and residents, whose investment can stimulate the economic activity, which would be followed by the renovation and the development of surrounding infrastructure (Zielenbach, 2000). Most importantly for addressing the main research question of this study, adaptive reuse of historic buildings can be used as a tool to foster community development.

Some of the popular areas of study in the topic include the roles of various tax credits and incentives, local, state, and federal preservation legislation and regulations, economic determinants and outcomes, the implications of preservation on urban progress, identity, and tourism, preservation’s effects on jobs and incomes, and the limitations and excesses of historic preservation practice. New York City, a city replete with historic structures and neighborhoods, is a great place to start looking at the effects of preservation planning and of adaptive reuse from a legislative, theoretical, and practical angle. Because of the particularities of the changing demographic landscape of New York City’s borough of Brooklyn, the “borough of churches,” and because other aspects of adaptive reuse have been explored extensively, I will be looking at the role of community actors in the adaptive reuse of historic churches. In 2010 Brooklyn was home to 1426 congregations, and their number is growing. However, many of the borough’s beautiful old churches have seen their congregations dwindle to double digits, and as a result, many of the churches have been closing. Many of these houses of worship remain unused, fall into

disrepair, and the question of what to do with the redundant buildings remains. Some historic churches are converted to high-end condos (Curbed NY, 2012). The role of community actors and organizations in trying to adapt these churches to new uses, however, has not been so expansive in Brooklyn, but it has been more common in other cities. I will be looking to Pittsburgh as an example.

This study could serve as a guide for community leaders, community development financial institutions, preservationists looking for creative ways to save historic churches, and private sector bodies that work closely with communities. My thesis will explore the possibilities and tools for the production of diverse outcomes for community development (economic, social, and cultural), using as a foundation the existing policies, incentives, trends, and instruments of adaptive reuse.

Research Questions:

- How can obsolete historic churches best be used to benefit communities?
- Why are so many historic churches no longer used?
- What tools can be used to adapt churches to modern uses?
- Why does the adaptive reuse of churches have such diverse outcomes?
- What lessons can be learned from the adaptive reuse of churches for community use in Pittsburgh, Pennsylvania?

PART 1: DISCUSSION ON HISTORIC PRESERVATION AND ADAPTIVE REUSE

1.1 THE SYMBOLIC IMPORTANCE OF CHURCHES

Places of worship are “usually the most famous, the strongest, the most beautiful buildings any town has to offer,” declares Margaret Visser (Visser, 2001). While church buildings are “both a link with the past and a promise for the future,” In *“This Special Shell”: The Church Building and the Embodiment of Memory* Jennifer Clark questions the traditional value of the Church building’s meaning to the community which houses the building once the it is closed or abandoned. The closure of a church reconstructs the memory of that church from a “harmonious” equilibrium to a “contorted pattern,” once the building’s function as a “place of regeneration, restoration, and recognition of the Christian memory for both the community and the individual” fades. The closure of a church creates an irreversible shift in the value of the church, even if during its lifetime as a church the building was valued and supported by generations of individuals, congregations, and communities. Clark argues that when secular circumstances render the church building redundant, the church leaders begin to emphasize the

“theological placelessness of Christianity” to justify the sale of the building. To replace the value of the building, the secular community may replace this value with a newfound urge to rescue the building, as to maintain its heritage. Clark asks, “what memories are created by the church transformed into a house where the pulpit is reconstructed as the vanity unit and the communion rail the balustrade for the internal staircase?”

While the profound and sacred emotional value of the building may be forgotten in its new use, “In terms of collective memory, old churches work as ‘community anchors’ associated with people’s ‘emotional rootedness’ in places,” and consequently the public becomes “reluctant to change or remove their churches and are quite willing to preserve them based on the perception of their significance,” writes You Kyong Ahn in her 2008 dissertation entitled *Adaptive Reuse of Abandoned Historic Churches*. To preserve these buildings, Ahn asserts, is to preserve the collective memory of the community. To demolish these buildings is to tear a chapter out of a chapter of the community’s collective memory, and the values that community had sought to create.

Churches and other religious buildings are special because they often represent the values and historical identities of neighborhoods and communities in a similar magnitude to important municipal buildings or universities. Because churches are often the first major buildings built by new communities, they serve as monuments to the contributions these communities have made to their respective neighborhoods. These churches often contain architecturally impressive elements that exhibit the highest levels of craftsmanship available to the communities that built them, and as a result they stand out as some of the most beautiful buildings. Despite the ethnic shifts in communities, historic church buildings of a high caliber can and should be maintained and adapted to new use by the new populations because preserving these buildings can go contribute to maintaining a neighborhood’s vitality, historic value, and marketability. Because many churches have retained the features that indicate the history and culture of a neighborhood, they are attractive to developers since adaptive reuse of such structures could potentially be more lucrative. Particularly in a down economy, such as the current one, these projects are often less expensive alternatives to new construction (Simons, Choi, 2010). While churches are often reused as luxury housing, their original function was to foster a community spirit and provide an avenue for communities to build strong networks. To retain this function, churches and other religious buildings are perhaps most effective if they maintain their community function in their new use.

1.2 THE DECLINE OF HISTORIC CHURCHES

General Trends

Since the latter half of the twentieth century many congregations in US cities have seen a decline in attendance as they struggle to maintain their urban base in the face of waning religiosity, among other factors, and they are often faced with tough choices on what to do with the existing religious building stock.

The American Religious Identification Survey (ARIS) 2008 report on religious identification sheds light on the declining religiosity in the United States (ARIS, 2008). The report, which is based on a survey of nearly 55,000 respondents, highlights some figures that explain this decline:

- The percentage of American adults who identified as Christians declined from 86% in 1990 to 76% in 2008.
- The percentage of Americans who do not indicate a religious affiliation has increased from 8.2% in 1990 to 15% in 2008.
- The historic Mainline churches and denominations have experienced the steepest declines while the non-denominational Christian identity has seen an upward trend since 2001.

As a result of declining religiosity of the Mainline denominations, the large, older churches which they occupied are struggling to stay open. In the last few decades there has been a wave of church closings, primarily in the Northeastern and Midwestern cities. In 2012 Cardinal Sean O'Malley of the Boston Archdiocese approved a plan to merge 288 parishes into 135, leaving over a hundred churches with an uncertain future (Jay, 2012). 28 parishes and 18 schools were closed by the Archdiocese of Chicago in 1990, and 29 parishes closed in Detroit in 1989 (Wilkerson, 1990). In 2012 Philadelphia closed seven Catholic churches, as parishes merge with other congregations (Philadelphia Business Journal, 2012). Since 2007, six churches in the Episcopal Diocese of Pennsylvania, and five in the Presbytery of Philadelphia have closed or merged. The Southeastern Pennsylvania Synod of the Evangelical Lutheran Church in America has had similar problems, with three mergers and six closings in the same time period. Parishes in the Philadelphia Archdiocese have declined from 302 in 1990 to 266 in 2012 (Holmes, 2012).

To compound the difficulties faced by the declining attendance, churches are seeing a shortage of priests. The Archdiocese of Boston expects to see the number of active priests to fall to under 200 in the next decade from the current figure of 420 priests. (Jay, 2012).

| Nationwide Religiosity | | | | | |
|------------------------|-------------|-------------|---------------|-------------|-------------|
| Year | Population | Adherents | Congregations | Adherents % | Congr. /10k |
| 2010 | 308,745,538 | 150,632,740 | 344,894 | 48.8% | 13.6 |
| 2000 | 281,423,231 | 141,371,963 | 268,254 | 50.2% | 12.1 |
| 1990 | 248,709,873 | 137,064,509 | 255,173 | 55.1% | 13 |
| 1980 | 226,545,805 | 112,538,310 | 231,708 | 49.7% | 12.58 |
| 1971 | 203,211,926 | 99,046,195 | 182,532 | 48.7% | 11 |
| 1952 | 150,697,361 | 74,125,462 | 182,856 | 49.2% | 13.6 |

Chart showing trends in religiosity in the United States. (Source: ASARB)

The ASARB Religious Census for the years between 1952 and 2010 illustrates that despite the trends in some cities, the total percentage of adherents in the United States has not declined in the last 60 years. The number of congregations per 10,000 people has not changed, either. However, not all states have performed equally. New York State, as shown below, has seen an increase in the number of congregations per 10,000 people from 5 in 1952 to 7 in 2010. The total number of adherents has declined from 60% of the State's population in 2000 to 51.2% in 2010, while the total number of congregations has grown by almost 3,000 congregations. These statistics suggest that each congregation is getting smaller, and thus many large churches are becoming redundant.

| New York State | | | | | |
|----------------|------------|------------|---------------|-------------|--------------|
| Year | Population | Adherents | Congregations | Adherents % | Congr. / 10k |
| 2010 | 19,378,102 | 9,923,512 | 14,110 | 51.2 | 7 |
| 2000 | 18,976,821 | 11,461,411 | 11,001 | 60.4 | 6 |
| 1990 | 17,990,455 | 11,813,403 | 10,878 | 65.7 | 6 |
| 1980 | 17,558,072 | 8,721,200 | 8,989 | 49.7 | 5 |
| 1971 | 18,236,967 | 8,545,064 | 7,746 | 46.9 | 4 |
| 1952 | 14,830,192 | 8,919,263 | 8,141 | 60.1 | 5 |

Chart showing trends in religiosity in New York State. (Source: ASARB)

New York City

In January of 2007 the Roman Catholic Archdiocese of New York announced the closing of 21 parishes as a part of a reorganization plan (Luo, 2007). One of the major reasons for the closure of churches in New York City is the decline in the number of adherents. According to the Association of Statisticians of American Religious Bodies in 2010 there were a total of 698,097 adherents in New York County which comprised 44.0% of the total population of Manhattan in 2010. From 1990 to 2010 the total number of adherents dropped by 38.7% in Manhattan, 16.1% in Brooklyn, and 35.6% in the Bronx. The number of adherents rose by 4% in Queens and by 2.4% in Staten Island. As a whole, New York City saw a drop of 18.3% in the number of adherents for all denominations during this time period. The

number of congregations per 10,000 people more than doubled from 1952 to 2010, and the number of congregations tripled despite a drop in the number of adherents by over 1 million. It is clear then, that in New York City the problem of declining religiosity and the shrinkage of congregations is even more severe than in the State of New York.

| New York City, NY | | | | | |
|-------------------|------------|-----------|---------------|-------------|------------|
| Year | Population | Adherents | Congregations | Adherents % | Congr./10k |
| 2010 | 8175133 | 3917150 | 4415 | 47.9% | 5 |
| 2000 | 8008654 | 4785354 | 3088 | 59.8% | 3.6 |
| 1990 | 7322564 | 5024339 | 3091 | 68.6% | 4.2 |
| 1980 | 7071639 | 2935809 | 1879 | 41.5% | 2.6 |
| 1971 | 7894862 | 3123294 | 1481 | 39.6% | 2.4 |
| 1952 | 7891957 | 4925817 | 1548 | 62.4% | 2.4 |

Chart showing trends in religiosity in New York City, NY. (Source: ASARB)

Kings County, New York (Brooklyn)

Bay Ridge in Brooklyn is among many neighborhoods seeing a decline of its historic churches. In 2008 the leader of Our Savior Lutheran Church in an interview with The Brooklyn Paper revealed that the 80-year-old church sought to find a developer to demolish the building to make way for private residences, while housing the church on the ground floor. Rev. Miller said that the church's dwindling congregation of 40 cannot afford the \$100,000 annual upkeep. Another Bay Ridge church, the 1899 George Kramer designed United Methodist Church, also known as the "Green Church," was razed in 2008 to make way for Public School 331 despite protest from neighbors and preservationists. The



The Green Church, Bay Ridge (Source: forgotten-ny.com)

Methodist congregation had dwindled to just 60 adherents.

In February 2013 an Episcopal Greenpoint, Brooklyn church reached a deal with a developer to sell a part of its parish hall to a developer who plans to build condos. As a part of the deal the developer has agreed to completely renovate the 1866 Church of Ascension. 2011 saw yet another historic church, the 1869 St. Vincent De Paul in

adjacent Williamsburg sold to a developer for \$13.7 million, with a planned residential conversion. The building was in such a poor state of repair that a tree had been growing in its bell tower. In nearby Bushwick, St. Mark's Evangelical Lutheran Church was deconsecrated and closed in June 2011 and listed for sale for \$5 million. The developer, Cayuga Capital will begin transforming the building into studio and two-bedroom rental apartments. The stained glass will be replaced with transparent glass.

Similar stories can be found in most neighborhoods of Brooklyn. The Association of Statisticians of American Religious Bodies (ASARB) Religious Census for U.S. counties since 1952 can help to explain the phenomenon of church closure. The chart below illustrates the dwindling number of adherents in the Kings County (Brooklyn), New York.

If anecdotal evidence is not enough, the numbers showing the decline of religiosity in Brooklyn, drawn from the ASARB Religious Census further corroborate the problems faced by large religious buildings.

| Kings County, New York (Brooklyn) | | | | | |
|-----------------------------------|------------|-----------|---------------|-------------|--------------|
| Year | Population | Adherents | Congregations | Adherents % | Congr. / 10k |
| 2010 | 2504700 | 1291850 | 1426 | 51.6 | 6 |
| 2000 | 2465525 | 1552336 | 959 | 63 | 4 |
| 1990 | 2300664 | 1539500 | 1147 | 66.9 | 5 |
| 1980 | 2230936 | 861606 | 519 | 38.6 | 2 |
| 1971 | 2602012 | 979652 | 429 | 37.6 | 2 |
| 1952 | 2738175 | 1872012 | 488 | 68.4 | 2 |

Chart showing the decline in religious attendance in Brooklyn from 1952-2010. (Source: ASARB)

| Kings County Shift from 1952-2010 | |
|-----------------------------------|---------|
| Population | -9% |
| Adherents | -31% |
| Congregations | 192% |
| Adherent % Change | -25% |
| # of Congregations per 1000k | 3x more |

While the population of Brooklyn has seen a 9-percent decline since 1952, a year in the decade when Brooklyn's population was at its peak, the number of congregations in the borough rose by 192% from 1952-2010, and the number of congregations per one

thousand people tripled in the same time period. In the meantime, the number of adherents dropped by 580,162 (31 percent). These numbers suggest that churches are getting smaller, and there are many more of them than there were 60 years ago. In fact, by dividing the number of adherents by the number of congregations in 1952 and 2010, we see that the number of adherents per congregation has risen by 323% between 1952 and 2010! It is not surprising, then, that many congregations, particularly ones in

larger churches, might be discouraged from continued use of their facilities, and move to smaller locations, such as storefront churches. While it is probable that most congregations would rather continue using their beautiful historic churches, it is simply impossible to cover the costs of maintenance for these buildings.

Allegheny County, Pennsylvania (Pittsburgh)

Patterns similar to the ones in Brooklyn, albeit less drastic, can be observed in Pittsburgh, PA. While the population of the City has declined by nearly 20 percent since 1952, and the number of adherents has dropped by 22 percent, suggesting that religiosity the City has barely declined at all, the number of congregations has shot up by 15%, reflecting a 47% decrease in the adherent per congregation ratio. This would mean that leaving everything else constant, about one of three churches could become redundant.

| Allegheny County Shift from 1952-2010 | |
|---------------------------------------|------|
| Population | -19% |
| Adherents | -22% |
| Congregations | 15% |
| Adherent % Change | -3% |
| # of Congregations per 1000k | +2 |

Since the beginning of the 21st century the Diocese of Pittsburgh has increased its efforts to sell unused church-owned buildings and vacant land. A typical parish includes the church building, a rectory, and perhaps a convent and a school. The diocese is serving as a facilitator in the transfer of congregations' buildings to other entities. Since 2003 over 130 church properties have been sold. Michael Arnold, the chief facilities officer for the diocese explained the reality of the situation by stating, "We understand the emotion that surrounds church buildings, but the reality is that those unused facilities are a financial burden for the parish." Unlike New York City, where real estate pressures are far greater, timing is an even greater factor in Pittsburgh, as some churches may not sell if the church buildings are allowed to deteriorate irretrievably.

To understand the potential of adaptive reuse it is important to realize the magnitude to which historic preservation affects development in modern American cities. Let's take a brief look at the history of the astronomical rise historic preservation in the 20th century.

1.3 THE HISTORIC PRESERVATION MOVEMENT

It is most practical to start looking at adaptive reuse as an off-shoot of historic preservation because it serves to fulfill the mission of and extends the effects of historic preservation. In the mid-20th century, before the importance of aesthetic value came back into the picture, the preservation of buildings and monuments was a peripheral issue. Chatfield-Taylor notes that, “It is worth remembering that until well into the twentieth century, it was widely felt that America did not have a culture, much less a culture worth preserving, and therefore only the surplus dollars of interested individuals could be applied to the purchase and preservation of important historic structures, because to the government they did not exist.” However, outside of the government’s domain, there were many factors that strengthened the position of historic preservation until it became the force it is today. Many of these developments were gradual and isolated until they culminated in concrete and effective legislation in the 1960s.

The distinguished urban historian Mike Wallace identifies four social groups that led the way from the 1880s to the 1940s for preservation before it became an issue of national priority. The first group is composed of the descendants of the wealthy New England landowners, or “patricians,” as he calls them, who “assumed custodianship of the American inheritance” to reinstate their social influence. Their doings formed the sensibility which “condemned the unrestrained working of the market.” They bought up historic relics, many of which were Native American settlements, and transferred them to public ownership. An example is the Great Serpent Mound, which was gifted to the state of Ohio. In 1906 this group New England aristocrats was able to obtain the passage of the Antiquities Act, which gave the president the authority to set aside public lands as national monuments. The Act gained traction because of the concern over the plundering of Native American artifacts in the Southwestern United States.

The second group consisted of the descendants of the planter class from the Old South, whose nostalgic notions about their forefathers’ days of glory lead them down the path of historic preservation. Fueled by the reaction against the adulteration of the grand estates caused by their popularization in Hollywood, this wealthy group of Southerners was organized to preserve their historic communities. Charleston, South Carolina was the first city to create a preservation body in the 1920’s when the Society for the Preservation of Old Dwelling Houses was created. The group turned to the city and got an ordinance passed which established the Old and Historic Charleston District – one of the first such districts in the country. The city was able to protect much of its historic fabric by introducing zoning

tools. In another instance of early preservation local leaders in New Orleans lead an effort to save the French Quarter, and in 1939 a court ruling established restraints on demolition on the owners of private property in the district.

The third group consisted of the wealthy industrialists, who, in an attempt to “celebrate their newly won prominence, and partly to construct a retrospective lineage for themselves by buying their way into the American past” saved parts of historic communities, even if their enterprises often served to destroy the old ways of doing things. The restoration of Colonial Williamsburg in Virginia and that of the Greenfield Village in Michigan are prime examples.

The final group was the professional and managerial class, consisting of the architects, engineers, and landscape architects of the City Beautiful persuasion, who “tried to rationalize and discipline U.S. cities by beautifying them – reorganizing them around a matrix of broad avenues and monumental classical buildings” (Wallace, 1985). This marked a step away from the chaotic and unsystematic development that contributed to massive congestion in the major metropolitan regions in the country. This group would later play a huge role in the Historic American Building Survey (HABS) during the early 30’s when the National Park Service undertook the task of collecting all records of the historic parks and battlefields under one roof. In 1935 the same National Park Service was authorized under the Historic Sites Act to “acquire property, preserve and operate privately owned historic and archeological sites, construct museums, develop educational programs, and place commemorative tables” (Wallace, 1985). In this period there developed a “distaste for unrestrained capitalism,” and as, as Wallace puts it, “historic preservation became an emblem of that distaste.”

While there was progress in historic preservation leading up to World War II, the onslaught of development that followed the war, when half of the HABS properties were demolished at the hands of federally funded Urban Renewal projects, suburban development, and highway construction. These efforts were organized by the “growth coalition,” a grouping of real estate interests, bankers, and planners, spurred by the political spirit of the times. Wallace writes that this is the moment that sparked a revival in the preservation movement. In 1947 the Council for Historic Sites and Buildings was established, out of which the National Trust for Historic Preservation grew in 1949. Amid fears by the government that the destruction of the past might “engender a national identity crisis,” while the National Trust warned of a “future in which America found itself without roots, without a sense of identity, with nothing to lose” (Wallace, 1985). In the 1960s the support for preservation exploded with the exposure of the ills of urban renewal and “progressive” development illustrated by the urban riots in Harlem, Watts, and Detroit. The disintegration of society seemed to be irreversible as “social

incoherence became manifest in racially divisive slums that looked as if they'd been battered by aerial bombardment" (Tung, 2001). With the population drain, coupled with rising crime and the erosion of the middle class from big cities, some mayors turned to historic preservation as a way to stem imminent collapse of the cities' social structures.

While the National Trust took years to mobilize its momentum, it was eventually successful in lobbying and helping to pass the National Historic Preservation Act in 1966, which established the National Register of Historic Places, authorized grants to state and local governments for preservation efforts, required states to come up with coherent preservation plans to protect their historic legacy, and created the Advisory Council on Historic Preservation – an agency that oversaw and could prevent the demolishing of historic properties on the National Register, as long as federal funds were being spent on the construction. In the mid-1960s, there were 1,204 listings on the National Register of Historic Places (NRHP); By 1998 there were almost 65,000 (Listokin, 1998). Since a listing can include hundreds of buildings, the number of sheer buildings included in the Register is much higher, with almost a million buildings by 1997. (U.S. Department of the Interior, 1997). The passage of NEPA (National Environmental Policy Act) in 1969 furthered the importance of historic preservation due to the requirement that impact on historic resources is assessed before major federal actions are taken, as a part of the environmental review process (Listokin, et al, 1998).

To implement the National Historic Preservation Act on the state level section 101 of the NHPA called for states to establish State Historic Preservation Offices (SHPOs). These entities were to be tasked with the identification and listing of properties in the National and State Registers. New York established its SHPO in 1966, and was furthered with the passage of the New York State Historic Preservation Act of 1980 (New York State Office of Parks, Recreation & Historic Preservation, 2013). The act created the New York State Register of Historic Places, which seeks to streamline the inclusion of properties on the National Register, as properties are considered for both the State and National register concurrently.

The NHPA of 1966 also contains Section 106 which requires that projects with federal involvement (if a federal agency is carrying it out, approving it, or funding it) to take into account the effects of their undertakings on properties that are historic, and involve a review process that make federal agencies accountable for their decisions. In addition, the Advisory Council on Historic Preservation (ACHP), an independent federal agency, must be given a reasonable opportunity to comment. This agency will get involved in the review process if policy is unclear or if there is controversy regarding the impact of a project between federal agencies and other consulting parties. The federally

funded projects must reach agreements with the SHPOs, even if projects may cause damage to any properties that are eligible for listing on the State or National Register. This is done so that state agencies “explore all feasible and prudent alternatives to and give due consideration to feasible and prudent plans that would avoid or mitigate adverse effects to such property.”

Many homegrown entities of the preservation movement emerged around the same time as the NHPA. New York’s LPC, or Landmarks Preservation Commission, was established in 1965 after the passage of the Landmarks Law. The New York LPC consists of eleven Commissioners – at least three architects, one historian, one city planner or landscape architect, and one realtor, as well as one resident of each borough (Landmarks Preservation Commission, 2013). This commission, as well as others like it around the country, actively work to identify and designate historic resources, and to protect them from demolition or significant alteration. Local designation is the only way that a private property owner is prevented from tearing down their building (Tyler, 2000). The Commission is authorized to designate a specific building or an area as a “historic landmark,” which must be at least 30 years old, and have historical and architectural merit, as determined by the Commission (Ennis, 1965). The work of LPCs differs from that of SHPOs in that they deal primarily with private owners and developers (Fowler, 1976; Listokin, 1985).

Throughout the 1960s and 1970s New York City saw a boom of neighborhood preservation societies and non-profit historic preservation entities such as the New York Landmarks Conservancy and the Historic Districts Council (HDC). The latter organization was founded in 1971 and has served as the umbrella organization for what is today over 500 local community organizations that seek to preserve the city’s historic neighborhoods. HDC has been taken part in the creation of almost all of New York City’s designated historic districts, which encompasses about 300,000 buildings. This group monitors the New York City Landmarks Preservation Commission and is involved in negotiations between developers and community residents on projects that affect the historic properties and neighborhoods in question (Historic Districts Council, 2013). The New York Landmarks Conservancy (NYLC), another non-profit entity that has dominated many discussions about preservation in the state of New York, was founded in 1973 by a small group of architects, lawyers, planners, writers, and preservationists. Landmarks, as this group is colloquially known, have provided grants and low-interest loans through the Historic Properties Fund, mostly in low- to moderate-income communities. This organization has also been offering technical and project management consulting to property owners, developers, and contractors. Perhaps most pertinent to this study is the Sacred Sites Program, which has been run by Landmarks since 1986. This program has provided financial and technical assistance and grants to various religious entities

whose properties have been landmarked. To this day the program has assisted more than 660 religious institutions in New York State with matching grant programs for exterior restoration projects and other repairs. The most recent success story was The New York City Landmarks Conservancy's contribution to the saving of the 1848 St. Brigid's Church in New York City's Lower East Side from imminent demolition (New York Landmarks Conservancy, 2013).

1.4 THE HISTORY OF ADAPTIVE REUSE

The prominent New York City preservationist and the founder of the Historic Preservation program at Columbia University, James Marston Fitch recognized the importance and relevancy of adaptive reuse early on. While the reworking of obsolete structures to new uses is "as old as civilization itself," the practice began to lose popularity after World War II. During this period there existed a number of federal tax incentives which permitted a capital tax loss on demolished buildings, as well as incentives for new construction. These incentives popularized the notion that is always cheaper to "tear down and start over" (Fitch, 1982). During the period of decline of the historic districts after the war many old buildings were modernized in a way which concealed the fact they were old by recladding the facades and modernizing the interiors. This utilitarian approach reflected the zeitgeist of the times, when America's attitude towards the built environment was that of progress and newness. In 1982 Fitch wrote that it has been "only within the past two decades [that the] economic scales begun to tip again in favor of retrieval and recycling as opposed to demolition and/or new construction" (Fitch, 1982). Planners and officials finally began to recognize the failure of many urban renewal and slum clearance schemes of the 1950s and 1960s and rediscovered the benefits of rehabilitating instead of demolishing sound but decayed structures. This new model was justified because it was now seen as more sound economically and less socially disruptive method of renewing cities. By the mid-1970s, Fitch writes, the conservation of the built environment had become a "basic tenet of many community development programs." Fitch claims that the adaptive reuse of old buildings had become more economic not only in general terms (in the conservation of energy), but also in absolute terms (with lower relative construction costs). Fitch cites the 1976 Advisory Council on Historic Preservation study, *Adaptive Use: A Survey of Construction Costs*, which points out that the changes in the state of the economy in the mid-1970s had resulted in new construction costs being much higher than the costs of adapting old structures to contemporary use due to the skyrocketing costs of materials in relation to

labor. The rising costs of demolition also discouraged land clearance, as did growing environmental concerns. In the analysis of relevant data the Advisory Council report confirms that while adaptive reuse is not always cheaper, the costs fall within the range of new construction. In fact, for projects where a maximum effort was made to reuse existing features the costs were substantially below those for new construction. It can be stated, then, that the architect's ingenuity and inventiveness are some of the most significant determinants of the financial feasibility of the adaptive reuse of old buildings.

What initially established the foundation for the conversation on adaptive reuse of landmarks are economic justifications. These came in the form of various incentives that were put in place on Federal and State levels. Tax regulations changed in 1976 to favor policies and actions in historic preservation when the Tax Reform Act of 1976 was passed, providing two incentives which made the rehabilitation of historic buildings more competitive with new construction. These incentives are discussed in details in the *Tools for the Adaptive Reuse of Historic Buildings* section.

1.5 THE BENEFITS OF ADAPTIVE REUSE

Adaptive reuse is not a short-lived trend in urban planning and preservation, so the literature on it spans about four decades, and it is as relevant as ever today. There is a wealth of literature ranging from quantitative models used to identify main determinants for the typology of church conversions, to analyzing the legislative framework of adaptive reuse through the years, to literature that lauds the practice of adaptive reuse as a panacea for fixing communities across the country.

Having read the history of historic preservation and adaptive reuse, it is imperative to understand the numerous effects adaptive reuse can have on communities. In exposing the virtues of adaptive reuse James Marston Fitch writes that, "not only do recycled projects generally require less capital to start and take less time to complete, meaning less money tied up for a shorter period before rents start coming in, but they are by nature labor-intensive projects, relying less on expensive heavy machinery and costly structural materials" (Fitch, 1982). Fitch also stresses the superior build quality of older buildings, and points to the craftsmanship which cannot be duplicated in today's market. These buildings, he writes, were designed to use natural light and ventilation – natural energy savers. A notable recent work that qualitatively ponders the benefits and burdens of historic preservation is *Heritage Conservation and the Local Economy* from 2008 by Donovan D. Rypkema. He recognizes that the measurement and advocacy for historic preservation on economic grounds can be "degrading and insulting to the metaphysical, immeasurable qualities and importance of humankind's build patrimony"

(Rypkema, 2008). He also recognizes that in the short run those who have the most influence on what happens to heritage resources are the investors, property owners, bankers, and others who care about the economic aspects. Despite these investors' motivations, the effects of adaptive reuse and preservation should be expanded upon.

Rypkema calls property rehabilitation a "catalytic activity," as one renovation supports another. He claims that a pattern of reinvestment emerges that has a multiplier effect, through which as more properties are rehabilitated, lenders become more eager to make loans, and, as more lenders compete for these loans, their rates and terms become more attractive. As a result, as more financing becomes readily available, property values are appraised higher, and consequently lenders are willing to extend further credit. Rypkema confidently states that "the renovation of properties begins a cycle that improves the economic attractiveness of the neighborhood." (Rypkema, 1994). Furthermore, the costs of rehabilitation has the effect of producing local jobs, since it is more labor heavy, and requires less materials to be shipped from long distances, making a more sustainable form of development than new construction. In one study it was found that in Tennessee for every million dollars spent on rehabilitating a historic building 40 jobs are created, as opposed to 36 jobs for new construction, and 28.8 jobs for the manufacturing industry (U.S. Department of Commerce). It is not easy to evaluate the utility of adaptive reuse, as many of its benefits and drawbacks are non-price, or, in other words, are not quantifiable with hard data. It is because of this that we must look to the more scrutinized and profound studies of the effects of landmark designation and historic preservation to understand adaptive reuse better. Rypkema identifies five major measurables of the economic impacts of historic preservation: a) jobs and household income; b) center city revitalization; c) heritage tourism; d) property values; and e) small business incubation.

A. Employment

Since the cost of rehabilitation is more labor intensive and lighter on materials, more local jobs will be created (Rypkema, 2008). There is also a secondary financial gain for the community from the services that the construction labor uses in the project area. Furthermore, there is a subsequent economic impact when a preserved building is put to productive use. Since most building components have a life of 20-40 years, a 2-3% of building stock in a community can be rehabilitated annually, and employment in the industry will not subside. Rehabilitation artisans are in high demand, and are paid well. Economic development is all about jobs. Heritage conservation not only provides jobs, it provides

good jobs and more of them, says Rypkema. Since employment translates to empowerment, it can also be said that this effect of adaptive reuse serves as a means for community development.

B. Center City Revitalization

There are many examples of failed attempts in downtown revitalization in which historic elements were destroyed, but it is hard to find a downtown revitalization success story where historic rehabilitation didn't play a role. The Main Street Program of the U.S. National Trust for Historic Preservation is the most cost-effective U.S. program for economic development (Rypkema, 2008). It is a commercial district revitalization program that has a great potential for contributing to the successful historic preservation of entire neighborhoods. Over the last three decades since the program was initiated over \$23 billion private dollars have been invested in Main Street communities, 67,000 new businesses have opened, and 310,000 new jobs have been created. For every dollar invested in local Main Street programs, nearly \$27 of other investment was spent, and the average cost per new job created was \$2,500. (National Trust for Historic Preservation Main Street Program, 2013). Rypkema claims that when "Back to the city" happens, historic districts are the first magnet.

C. Heritage Tourism

A study in Virginia showed that heritage tourists stay longer, visit twice as many places, and spend 2.5 times more than other visitors (Rypkema, 1995). A study in Norway found that only 6-10% of the spending involved in visiting a cultural heritage site was spent at the site itself, with the rest being spent in the community around it (Nypan, 2003). Historic sites play a crucial role in fostering pleasure travel as "people travel in massive numbers to commune with the past" (Arthur Frommer, noted travel expert). David Listokin makes the assertion that as more historic sites and neighborhoods are preserved, a new tourism "product" emerges for both domestic and international visitors, and the "tourism-preservation cycle continues." A 1997 study in New Jersey revealed that \$433 million was spent in 1995 in New Jersey, compared to \$123 million in historic rehabilitation (Listokin, Lahr, 1997).

D. Property Values

Property values within historic districts appreciate in value at greater rates than the overall local market, and faster than similar, non-designated neighborhoods. A study in Canada found that heritage buildings performed better in the marketplace over the last 30 years (Rypkema, 2008). Furthermore,

historic designation never resulted in reduction in the value of the properties, and the price of heritage houses was not affected by cyclical downturns in property values.

A telling example of how historic churches incentivize new construction and increase property values is the 1907-built Church of St. Thomas the Apostle on 118th Street in Harlem. The building developed across the street, just north of the church made sense to the developer only because of the view of the beautiful church that the tenants would have. Anne Friedman of NYLC believes that if the church had come down it would no longer be an asset to the immediate neighborhood, and cease to be “one of the things that made the community special”. The church was recently bought by a developer with the intent of constructing a 70-unit, 12-story, mixed-income residential building at the rear of the property (Boniello, 2012).

E. Small Business Incubation

Rypkema claims that lower rents in historic districts as opposed to central business districts encourage the natural incubation of small businesses. Pioneer Square in Seattle, one of the “great historic commercial neighborhoods in America,” houses many creative, small firms. When asked why they moved there, the most common answer was: “It was a historic district.” The second most common answer was: “The lower cost of occupancy” (Pioneer Square Business Improvement Area, 2013).

Listokin and Lahr’s 1998 article *The contributions of historic preservation to housing and economic development* also discusses various examples of historic preservation as a vehicle for economic development. One example is Holland, Michigan’s Main Street downtown effort, which produced greater downtown sales due to the rehabilitation of commercial buildings and second-floor housing units, and also increased visitation to the downtown Historic Museum. This interaction between rehabilitation, housing creation, downtown revitalization, and heritage tourism often creates the necessary pressures for new housing and economic development in regions that are “most in need” of it. Since economic development While economic development does not equal community development, opportunities for small businesses and the creation of affordable housing units do carry out some of the key functions of the commonly discussed community development elements. The benefits discussed above have advantageous multiplier effects which lead to “indirect” and “induced” economic consequences (Listokin, Lahr, 1998). The indirect effect is the spending on the goods and services by industries that produce the items used for the preservation activities, and the induced effects are the expenditures made by the households of the workers involved with the preservation. The resulting

benefits are: jobs, income (“earned” and “labor” – wages, salaries, and proprietors’ income), wealth (GDP), and taxes (revenues generated by the activities).

Non-economic contributions / Non-priced benefits

Smart Growth, a universally supported term for the movement for sustainable, anti-sprawl development is another avenue in which preservation can play a role. Rypkema states, “If a community did nothing but protect its historic neighborhoods, it will have advanced every Smart Growth principle. Any Smart Growth strategy that doesn’t have historic preservation at its core is “stupid growth, period” (Rypkema, 2008).

Another observation is that preservation is sustainable since a quarter of all the things dumped in landfills are construction debris. If the typical, small, brick commercial building in the United States is demolished, the entire environmental benefit from recycling 1,344,000 aluminum cans would be null. Yet another benefit, as Yuen points out, is the importance of preservation in the context of increasing globalization, where there is a “growing need to preserve the past, both for continued economic growth and for strengthening national cultural identity” (Yuen, 2005).

Garrod et al. (1996) also discuss on the non-priced benefits of renovating historic buildings. They identify the non-priced benefits as a product of a building’s historical and architectural significance and its role in the community’s sense of identity. These factors are to be factored into determining the owner’s motivation to renovate their property.

1.6 THE DOWNSIDES OF HISTORIC PRESERVATION AND ADAPTIVE REUSE

In *The Contributions of Historic Preservation to Housing and Economic Development* Listokin and Lahr point out that the popularity of historic preservation may “dilute its imperative and market prowess,” and it could be used to thwart new development.

Some scholars argue that the growing popularity of historic preservation was not motivated by the struggle to preserve history and beauty, but simply by profit generation. Chatfield-Taylor writes that, “... of all the reasons to preserve a building, preserving it so that it will make money – the “profit motive” – meets the proposition with the least grace, and with the most potential damage,” and that “It is a tragedy that the people who are using historic buildings for purposes that are other than income-producing are not being particularly assisted” (Chatfield-Taylor, 1985). So, like many other aspects of our society, if it doesn’t make money, it’s not worth keeping. Considering that notion without adaptive

reuse, in 2012 we should not have been left with many historic districts; however, in the 1960's they became profitable due to several reasons, one of which was the development of mass tourism, made possible by new infrastructure and technological developments – interstate highways, the predominance of the automobile, and by the general prosperity. Wallace cites a 1964 study that found that the French Quarter in New Orleans was the second biggest profit-generator for the city (Wallace, 1996).

There is also the problem that the “historic” designation can alter considerably with shifting social interest, so it is, in a sense a relative designation. With an increase in popularity, historic preservation has at times trivialized, or “Disnified,” as Ada Louise Huxtable called it in 1997, and its strength as a community and economic development tool has declined (Huxtable, 1997). It is often the case that by freezing development, economic activity is impeded, rather than expanded. In order to prevent historic designation from going “too far,” and to protect property rights, some states have required owner consent before their property is designated. (Listokin, 1997).

Finally, neighborhood revitalization brought about by historic preservation can have the effect of displacing low-income area residents and small-scale businesses that can no longer afford rising rents. As median income dramatically decreases the racial composition changes and the ratio of renter-to owner-occupied units decreases, coupled with a shift from blue-collar residents to the managerial-professional class, as observed in Society Hill in Philadelphia and Georgetown in Washington, DC by the 1970s. (Shill and Nathan, 1983). On the other hand, in some cases historic designation of neighborhoods blocks proposed redevelopments in some minority neighborhoods that would have displaced the residents (Coplan, 1991).

1.7 THE ADAPTIVE REUSE OF CHURCHES

An 1839 Presbyterian church in downtown Nyack, New York fast declining when Jane Sherman started the quest to save the building, which was at this point attended by the tiny congregation – down to a dozen or so parishioners. The front of the building faced Downtown Nyack with its abundant antique shops and Victorian flare. From the beginning Jane intended to convert the church into a public space, as the back of the church faced a low-income housing complex which lacked a point for the community to gather. When the Hudson Valley Presbytery decided to close the church, they were happy to sell it to Sherman for a mere \$50, maintaining title to the land, should it again be used as a church in

the future. Within several months the church became the location of a children's breakfast hour, a literacy program, and a stage for live performances (Zakrzewski, 2002).

The building needed a lot of work to "up to code." The roof and the basement floor needed replacement, the lead-based paint on the building's exterior needed to be removed, and the bell tower had significant insect damage. To finance the rehabilitation the group which had formed to save the church had secured two Community Development Block Grants (CDBGs) of \$200,000 and \$270,000 and another \$3,000 from the New York Landmarks Conservancy. The future Nyack Community Center had chosen an architect who used a creative solution to remove the lead paint – they simply covered the exterior with a thick cover that rendered the lead paint harmless. The center was immediate hit – "the people in the community now treat the center as if it had always been there," said Sherman.

The Nyack church is not the only example of an adaptive reuse project with a community development outcome. Partners for Sacred Places provides a few notable examples from all around the United States. The St. Vitus Catholic Church in Chicago was turned into the Child Care and Community Center in 1994. The building was purchased for \$10, and the majority of the funding for the project came from corporations and foundations. The First Unitarian Church of Oakland became the Center for Urban Family life in 1994, and the Pearl Street Temple Emanuel Foundation in Denver became the Temple Events Center Uptown in 1987. These examples, along with one of the case studies in this thesis (Union Project) point to the possibility of adapting religious buildings to community use.

Though it has been done, and is often economically feasible, religious houses of worship are tremendously difficult buildings to convert to new uses, and are known as "white elephant buildings" in the preservation and real estate industries. In the 1996 report "New Life for White Elephants: Adapting Historic Buildings for New Uses," the National Trust for Historic Preservation describes such buildings as "often well-known landmarks, occupying a significant location in the community," whose "size and configuration... is sometimes the problem." Furthermore the report links the health of these buildings with the well-being of the neighborhood. The deterioration of nearby buildings, the report claims, is often the main contributor to the decline of such buildings (National Trust, 1996).

New York Architect Robert Scarano, who is responsible for two church conversions in Brooklyn, both of which are used for this study, has offered another explanation: "Generally churches are demolished because no one wants to take the effort to conserve them. In a lot of cases [adaptive reuse] is an inherently difficult construction."

The adaptive reuse of churches is perhaps one of the most difficult types of adaptive reuse there is. This is true for several reasons, but perhaps the main reason is the difficulty in financing such

projects. The conversion of the large interior spaces in churches is often outside the financial possibilities of owners (Murtagh, 1997). Therefore, it is essential to approach the adaptive reuse of these structures with utmost creativity. After all, there are many successful stories of adaptive reuse. There have been countless successful conversions, which include the conversions of the former Sacred Heart Academy Chapel in Rochester into spaces for a local college, apartments, and a non-denominational school, and the reuse of St. Josephs Roman Catholic Church in Newark, NJ into the St. Joseph Plaza community center (Common Bond, 2002).

From the denominational point of view the “highest and best use” when selling a church property is to see it reused as a church. According to Anne Friedman the Catholic Church is more inclined to sell to another denomination in rust-belt cities such as Pittsburgh. That has not necessarily been the case in New York City – for the most part the Catholic Church holds on to its properties and subsidizes their continued existence, despite poor maintenance and declining attendance.

In a 2010 presentation at the Maxine Goodman Levin College of Urban Affairs professor Robert A. Simons of Cleveland State University presented some figures from his upcoming work, *No Building Left Behind: New Uses for America’s Religious Buildings and Schools*. The study reveals that by 2010 there were a total of 210 successful religious building reuses in the U.S. Simons breaks down the uses into the following categories:

Residential Condo: 52 buildings.

Apartment: 22 buildings.

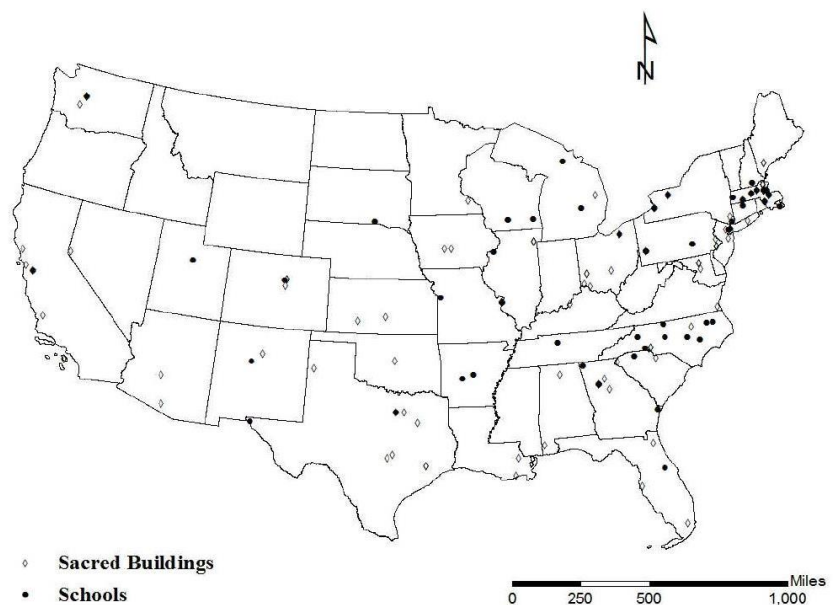
Retail: 43 buildings.

Office: 26 buildings.

Cultural: 42 buildings.

School: 24 buildings.

Industrial: 1 building.



Church Reuse Projects: Distribution in 2010. (Robert Simons, 2010)

1.8 DETERMINANTS OF PROJECT OUTCOMES

Once a property owner or a developer has a background in legislative policy, various funding sources, and an understanding the functions and effects of adaptive reuse, he or she needs to make assumptions about what an appropriate use would be and then proceed with confidence when making an investment. In their study of *Determinants of Project Outcomes* for the adaptive reuse of religious buildings and schools Simons and Choi aimed to determine which characteristics of a neighborhood are most suited for different types of reuse of religious facilities and schools. The most significant factors in determining the type of reuse were identified, whether internal factors such as the physical characteristics of the building, as well as external, such as location and demographics of a neighborhood that the building is in. Because many religious buildings and schools have retained the features that indicate the history and culture of a neighborhood, they are attractive to developers, since adaptive reuse of such structures could potentially be more lucrative. Particularly in a down economy such as the one we are in these deals are often less expensive alternatives to new construction (Simons, Choi, 2010).

According to a national study by Simons and Choi that draws from 210 adaptive reuse projects, residential apartments as a project outcome include all types of rental housing (market rate rentals, senior housing, affordable- and low-income housing, etc.), as well as residential condominiums, such as market rate and loft style condos and co-ops. One of the most important building characteristics is the number of stories. More stories favor apartment conversions. Younger buildings are more likely to be adapted as apartments, and those buildings that don't have historic features tend to be converted into low-income housing. Other characteristics of buildings that tend to result in that building being converted to apartments or condos are larger size, a brick exterior, location in census tracts with high vacancy rates, and location farther from the airport, on a main street, and not on a corner. Schools were found to be more likely than churches to be converted into apartments.

Cultural uses, such as museums, art centers, and concert halls tend to be found for religious buildings that have fewer stories, are closer to the airport, are located in the inner city, and on a main street. Religious buildings, rather than schools, are more likely to be used for such purposes. Office use was more likely if religious buildings and schools had fewer stories, were newer buildings, and were located on a main street, especially in the inner city. Unlike cultural uses though, schools were more likely to be used for offices than churches. Retail use results from the following factors: Fewer stories, location on main street, in the inner city, closer to a highway and an airport, lower gross housing rents in

the surrounding census tract, and an older population in the surrounding census tract. Churches and religious buildings are more likely to be used for retail.

This study's findings corroborate previous literature that has empirically proven the negative impacts of the proximity of highways and airports on residential projects. However, proximity to airports and highways provides advantages to retail shops, as they generate high traffic volume.

The methodology used by Simons and Choi was the multinomial logit model with the outcome of adaptive reuse projects as the dependent variable. Independent variables include building characteristics as proxies of the architectural and historic values of buildings, neighborhood demographics, location characteristics, and macro-economic conditions as proxies of market conditions. Also considered were the characteristics of the property seller (Catholic churches, due to the centralized hierarchical nature of the institution often resulted in larger, more economically efficient projects).

1.9 OBSTACLES TO ADAPTIVE REUSE

There are many things working against successful adaptive reuse of historic buildings, particularly for churches. Churches are difficult to adapt because of their floor plans, high ceilings, and large windows. Oftentimes religious denominations are reluctant to sell the church, staying open until the congregations shrink to just a few worshippers. Aside from the obvious additional obstacles to adaptive reuse of buildings such as lack of funding, lack of interest, and declining neighborhood economies, there are specific obstacles to adaptive reuse that need to be discussed.

Adaptive reuse of any historic buildings, including churches, can come with some stringent requirements designed to retain the historic fabric of designated landmarks, especially those concerning Landmarks Preservation Commission oversight. These requirements have presented a regulatory burden on owners and developers, and in some cases have evoked charges of a government taking. Oftentimes requirements that would make a project "certified" for Historic Rehabilitation Tax Credit funding can significantly increase the cost of rehabilitating a building, and have been cited by developers as an impediment to providing affordable housing (Werwath, 1993). There are some examples of successful efforts to make historic rehabilitation less conflicting with the building code. The Massachusetts building code has a building code chapter specific to historic preservation standards with a more flexible framework. This was achieved, in part by the Society for the Preservation of New England Antiques and the Boston Landmarks Commission, who developed these flexible standards and lobbied these recommendations in the state government, which ultimately adopted them. The Los Angeles Adaptive

Reuse Ordinance also tackles this problem directly and lifts almost all of the building code requirements from adaptive reuse projects.

A. The Secretary of Interior Standards for the Treatment of Historic Properties

Properties that are eligible for, or are currently listed on the National Register of Historic Places are subject to *the Secretary of Interior's Standards for the Treatment of Historic Properties*. Since 1983 the Secretary of Interior revises these standards on an annual basis, and delegates the responsibility to enforce them onto local preservation authorities. The *Standards* consist of separate standards for preservation, rehabilitation, restoration, and reconstruction. These standards were originally developed to determine the "appropriateness of a proposed project work on registered properties supported by the Historic Preservation Fund grant-in-aid program, but have persisted to this day, and have been adopted by historic district and planning commissions across the country (Grimmer et al, 2011). The ability of a property owner to receive Federal Historic Preservation Tax Incentives is contingent on whether all the Standards are met. The Standards apply to both the interior and exterior architectural features of the building, as well as to the materials and techniques used in the construction. The following are some of the Standards, taken directly from 36 CFR 67 of the Department of Interior Regulations:

- 1) A property shall be used for its intended historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
- 2) The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.
- 3) Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.
- 4) Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
- 5) Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.
- 6) Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.

Despite the clear and unambiguous nature of the *Standards*, Anne Friedman of New York Landmarks Conservancy's Sacred Sites program cited the Standards as a potential regulatory burden for the adaptive reuse of historic churches.

B. Deferred Maintenance Costs

Churches in the United States often fall into disrepair long before they close their doors to congregations. As a result, when they finally close, the deferred maintenance costs can be astronomical. In the case of Our Lady of Loreto, discussed in this Thesis, the cost for the most basic repairs approaches \$3 million – and that is before façade and interior restoration. Anne Friedman suggests that in order to save many buildings and make them viable for reuse congregations that care about their church building could start making partners and transition to new use before the building requires such expensive renovations.

A potential solution is to allow the church to perform multiple functions while maintaining its religious purpose. Anne Friedman cited some examples to illustrate this: in Saratoga Springs a Methodist church, sold to a large African American congregation in the 1970s, was eventually condemned when the new congregations failed to put together the funds to maintain the building. Universal Preservation Hall, a non-profit, was formed to raise money to convert the church to a catering hall and conference center, while maintaining religious services. Another example is the Museum on Eldridge street in New York City's Lower East. The former synagogue was converted to a museum, while still maintaining some functions as a synagogue. Friedman believes that when the congregation diminishes, the religious function of the church can be downsized by converting a large portion of the building to other uses, such as housing, or a gathering space.

C. Zoning Issues and Environmental Quality Review

Once a former church building changes use, that new use will be subject to a rezoning process, despite the non-conforming use of the building while it was still used for religious purposes. In order to allow for new use, the building may have to go through a special review process as a part of the development, which could also include an environmental review process, called SEQR (State Environmental Quality Review) in New York State. This process is designed to mitigate significant environmental impacts of a development project. Building permits for adaptive reuse or any other

construction will not be issued until a developer receives a Negative Declaration, excusing him of further action. Alternatively the developer may receive a Conditioned Negative Declaration, or a Positive Declaration, meaning the project either needs to meet further requirements, at which point an Environmental Impact Statement report must be commissioned. The process is an extremely expensive and an usually lengthy process, which can take many months, if not years, to complete (New York DEC). Furthermore, because of these stringent building code requirements, many adaptive reuse projects could become impractical and too expensive to rehab and convert. With its Adaptive Reuse Ordinance, the city of Los Angeles has addressed these problems by exempting any adaptive reuse projects in designated areas from the environmental quality review process. New York State has no such ordinance.

D. Real Estate Deed Restrictions

Church Brew Works owner Sean Casey cited legacy deed restrictions as having a hindering effect on adaptive reuse, referring to them as “handcuffs.” Deed restrictions, or covenants, as they are called in legal terms, run with the property. These restrictions often limit a property to a certain use, such as commercial or residential use. They also establish the types and numbers of buildings allowed on lots, and create particular architectural requirements (City of Houston, 2013). Deed restrictions are parallel to historic preservation easements, except historic preservation of the property is not always the motivation for their production. Old properties will sometimes have such deeds attached to them, and in some cases the buyer is not notified at the time of purchase. In order to remove the covenant, a property owner will have to engage in a lengthy and expensive process, involving the acquisition of approvals from various agencies. Without a doubt, such an impediment can make the adaptive reuse of historic buildings especially difficult.

1.10 WHAT IS MISSING IN LITERATURE & RESEARCH?

The common theme between many of the sources that I have used is that social equity persists as a missing link in so many of the adaptive reuse policies and projects. David Listokin gives a handful of examples where social equity was given some scrutiny. Notably, in 1974 the Savannah Landmark Rehabilitation project aimed to improve housing in the city’s Victorian district for lower-income residents. The organization gathered funds from various sources like the Comprehensive Employment Training Act, Community Development Block Grant (CDBG), Housing Development Action Grant, HUD Section 8 assistance, and subsidies from the National Endowment for the Arts, as well as the Ford

Foundation. As a result the organization was able to rehabilitate hundreds of housing units for the poor in the historic districts of Savannah. Another example is the Inner City Ventures Fund (ICVF) of the National Trust for Historic Preservation, which has, since 1981 awarded more than \$7 million in financial assistance to preservation projects benefitting low-income residents (Listokin, 1998). The fund has since broadened its scope to include organizational and real estate technical assistance to local community groups. However, this aspect of adaptive reuse remains relatively unpopular and is among the last considerations when it comes to the discourse on historic preservation.

I believe that besides legislative changes that would give social justice more consideration, for example, additional Low-income housing tax credits for adaptive reuse projects, neighborhood organizations, community development corporations, and other actors could play a greater role in custom-tuning adaptive reuse strategies to adapt historic churches to new uses as community assets in their respective neighborhoods. The literature on this aspect of historic preservation is rare, and fails to properly address great potential that a collaboration that community development and historic preservation can forge. In this study I seek to bring this aspect of preservation to the forefront and to explore the opportunities within it by looking at an example of adaptive reuse that has done exactly that.

1.11 COMMUNITY DEVELOPMENT, PRESERVATION, AND ADAPTIVE REUSE

Today the definition of community development has come to be encompass the general goals of releasing the potential of communities by “bringing people together to address issues of common concern and to develop the skills, confidence and resources to address these problems,” and “to change the relationship between people in communities and the institutions that shape their lives” (Taylor et. al, 2001). It would not be unsubstantiated to link this definition with the potential effects of an adaptively reused religious building with a community use.

A. History of Community Development

As the conditions in American inner cities deteriorated following World War II, many cities lost population and jobs, and as a result saw tremendous losses in the quality of their infrastructure and public services, as well as a deterioration of the built environment. To help alleviate the plight of the

inner-city poor and to protect communities from being cleared during the decades of urban renewal many neighborhoods created voluntary organizations called Community Development Corporations, or CDCs. These nonprofit organizations primarily sought to produce affordable housing for struggling families through real estate activities, but have also worked in such disparate forums as small business lending, early childhood education, fundraising for local causes, environmental justice and brownfields redevelopment, and in some cases even master planning community retail development (Schill, 1997).

In the 1960s and onwards CDCs received their funding from federal Office of Economic Opportunity and, later, the Community Services Administration. A common strategy of a CDC was to finance small businesses in their communities, or to purchase an enterprise such as a store or a factory that would otherwise go out of business. Unfortunately, funding was inconsistent, and various CDCs were competing for funds from the same pool. As a result many of the businesses set up by the CDCs failed (Schill, 1997). Nevertheless, CDCs continued their existence and starting from the 1980s have been heavily focusing on affordable housing creation, as federal subsidies to developers of low-income housing have been reduced.

In 1994 there were about 2,000 CDCs in the United States, and by 2005 that number had grown to about 4,600 (Lawson Smith, 2007). From 1998 to 2005 CDCs were responsible for the creation of 86,000 affordable housing units and 8.75 million square feet of commercial development annually (Lawson Smith, 2007). CDCs are funded through a wide variety of sources, among which are three major finance intermediaries which facilitate the flow of grant moneys and other technical assistance to CDCs: the Neighborhood Reinvestment Corporation (1978), Local Initiatives Support Corporation (1979), and the Enterprise Foundation (1982).

B. Community Development through Preservation and Reuse

Kennedy Lawson Smith, the founder of the consulting firm Community Land Use and Economics Group, and former director of the Main Street program has been calling communities to blend downtown development, land use management, and historic preservation disciplines into a singular approach. Examples of collaboration between CDCs and historic preservation groups are practically non-existent.

In *Historic Preservation and Affordable Housing: The Missed Connection*, Donovan Rypkema cites statistics that back up Ms. Smith's claim that older and historic buildings offer a "tangible solution to

affordable housing needs.” 577 houses are demolished every day in America, many of them old, and some historic, while 28 million American households are struggling to find affordable housing (Rypkema, 2002). About one-third of the poorest households live in older and historic homes, and half of all tenant-occupied old and historic homes have rents below \$500 a month, which is still below newly constructed “affordable housing.” While the Main Street program, which focuses primarily on commercial rehabilitation, has generated more than 72,000 new businesses and 331,000 new jobs, it has not produced affordable housing or community facilities.

To make preservation a tempting option, a community often needs a purpose, or a reason to preserve other than “preservation of buildings for preservation’s sake.” It can be difficult to preserve and reuse a building with small grants and donations, even when many of the preservation tools included in the appendix of this thesis are used, if the community lacks the resources to jump-start the preservation engine. Some sort of catalyst is needed, and this is where the preservationist movement’s collaboration with Community Development Financial Institutions (CDFI) can be most beneficial.

In some cases, preservation and community development functions can live under one roof. A famous example of a preservation group that is also engaged in community development and the creation of affordable housing is the Pittsburgh History and Landmarks Foundation (PHLF). PHLF was founded in 1964 to confront the urban renewal projects that would have replaced vast swaths of historic neighborhoods of Pittsburgh, such as Manchester with “characterless architecture, parking lots, and roadways,” a common pattern in those decades that is dreaded by planners, historians, and urbanites today. PHLF is responsible for adapting five historic railroad buildings for new uses which include a hotel, a dock, shops, offices, restaurants, and a riverfront open space. The development, called Station Square, was then sold in 1994 and provided a source of revenue for PHLF to expand its preservation efforts. PHLF was also involved in the rescue and revitalization, and eventual adaptive reuse of numerous historic structures in the Fifth/Forbes Downtown area which were slated for demolition. On the community development side PHLF has accomplished the revitalization of historic neighborhoods while preventing the dislocation of the residents through mechanisms such as the Revolving Fund for Preservation. PHLF would purchase, restore, and renovate historic inner-city properties, and then sell them to low- and moderate- income families.

Today the Revolving Fund is managed by the Landmarks Community Capital Corporation, a nonprofit subsidiary of PHLF. The LCCC has taken on the expanded role of providing loans to local organizations and by providing technical assistance to preservation groups throughout the United States. The LCCC manages multiple loan programs aimed at the rehabilitation of poor neighborhoods,

economic development, and job creation. the Metropolitan Business Loan Fund, which provides low-interest loans ranging from \$5,000 to \$100,000 to new and existing businesses in low- and moderate-income census tracts, as well as the Real Estate Construction/Rehab Loan. This \$10,000 - \$700,000 loan is available to non-profit organizations in low- and moderate- income neighborhoods with an economic development mission. The Real Estate Pre-development Loan is also available to cover costs such as building or land acquisition, site development, environmental surveys, appraisals taxes, and consultant fees. Finally, LCCC provides the Downtown Retail in Historic Buildings Loan to Downtown Pittsburgh buildings that are on the National Register of Historic Places. When used together, these loans provide opportunities for the preservation and profitable use of many historic buildings in the Pittsburgh region. Since the early 2000s PHLF has had an informal partnership with the diocese to encourage a more sensitive reuse of religious buildings, in which PHLF has agreed to receive consent before nominating a religious property for local or national historic designation.

Struggling religious institutions have yet another resource that can help them build resiliency to dwindling attendance and other factors that lead to their decline. This resource is the Philadelphia-based organization called Partners for Sacred Places. At the core of its mission is the assistance to congregations and the preservation of religious buildings for their historic and architectural significance and their inherent community-building effect. The organization uses its experience and networks to explore the entire spectrum of options for churches and other religious buildings that are in danger. In part to encourage and make possible the adaptive reuse of religious buildings Partners has developed a set of tools, like the design charrette development and management, which brings together civic actors, community leaders, residents, and architects to discuss creative solutions for adaptive reuse, and a business and funding-plan development. Whether it is finding an entirely new use for religious buildings or apportioning unused space for community uses, the goal is to save the building and to strengthen its efficacy as a community asset. According to Partners, such uses can foster community revitalization and continued neighborhood development (Partners for Sacred Places, 2013). The organization serves an advisory role in identifying potential tenants, giving guidance for best practices for sharing space, and communicates the skills for lease development and negotiation. These services, along with the overall philosophy of Partners for Sacred Places are discussed in *Your Sacred Place is a Community Asset: A Tool Kit to Attract New Resources and New Partners*, a 1998 publication. Over the years the organization has expanded its activities from advising and research to hosting workshops and conferences, and developing an intensive training program.

It is doubtless that the work of PLHF and Partners for Sacred Places can help to save historic religious buildings from disappearing. As their foundation, both organizations rely heavily on the connections in the community for successful outcomes. Unified and strong community support is crucial before any conversations on funding can take place. While this community support is the common denominator, PLHF has historic preservation as its mission. Community development outcomes for adaptive reuse projects are not necessarily that organization's priority, even if they are welcomed. Partners for Sacred Places, on the other hand, does see community building as its central mission and the reason for preserving old religious buildings. The organization does not, however, offer financial support on the scale of PLHF, and, unlike PLHF, they do not manage each individual project, as their role remains mainly advisory. Besides, Partners for Sacred Spaces sees the religious function of churches and other religious buildings as the preferred driver for community revitalization and support. That is to say, an alternative community development outcome in an adaptive reuse project of a church would probably not have the same value for Partners as helping a struggling congregation to recover would have.

To bring together sound funding solutions, such as the ones offered by PLHF and the organizational know-how with the express intent of achieving high levels of community development through preservation and adaptive reuse can be brought together under one roof. Perhaps Community Development Corporations could, in addition to building affordable housing and community centers, use existing vacant religious properties for these purposes. Such organizations are not religiously affiliated, and thus, in an age when congregations are merging and closing historic properties, they can breathe new life into these houses of worship. Although Community Development Corporations and other local CDFIs have not embraced this approach, I believe that many historic churches can indeed be adaptively reused for the community development purposes.

PART 2: RESEARCH METHODS

To answer the research questions of this study the following questions need to be addressed:

- How can obsolete historic churches best be used to benefit communities?
- Why are so many historic churches no longer used?
- What tools can be used to adapt churches to modern uses?
- Why does the adaptive reuse of churches have such diverse outcomes?
- What lessons can be learned from the adaptive reuse of churches for community use in Pittsburgh, Pennsylvania?

For this study I have looked at four case studies in Brooklyn and two Pittsburgh. These case studies showcase the diversity in the determinants, outcomes, and unique factors that either led to the churches being reused, or prevent the churches from being reused at the present time. A secondary purpose of the study is to understand why so many cases of adaptive reuse in Brooklyn have not resulted in outcomes that benefit community development, such as uses as community centers, gathering spaces, or affordable housing.

A. Providing Context

To understand what unique problems face those who pursue the adaptive reuse of churches, and to gain insight into the viability of these buildings as community development assets, housing, or for-profit establishments, this study has drawn information from various sources and looked at reuse from different angles. In order to provide context to the need for adapting historic churches to community use I have:

- Sought to identify the importance of the church building to the community, deliberated on the reasons why so many historic churches in U.S. cities are vacant, and thus shown the need to adapt these old churches to new uses.
- Discussed adaptive reuse and its history within the context of historic preservation. In my view, any discourse on adaptive reuse is not complete without a background on the historic preservation movement and its effect on how we view historic buildings today.
- Revealed the economic benefits of adaptive reuse, which is perhaps the leading motivation for much of historic preservation today. I have also explored the potential downsides of adaptive reuse and the potential obstacles to its success.
- Outlined the variety of tools that are at the disposal of developers, property owners, and community actors who are interested in preserving a historic property through adaptive reuse. These tools include tax incentives, policy changes, and potential solutions offered by experts in the field. These tools are provided in the appendix section of the thesis.

- Discussed the challenges pertaining specifically to the adaptive reuse of churches, and reviewed literature that discusses what project outcomes are likely, given the particular features of the churches and neighborhoods.
- Explained the goals of Community Development Financial Institutions and the potential opportunities of marrying their interests with those of historic preservationists.

B. Rationale

I chose the case studies in Brooklyn and Pittsburgh for two main reasons. As the Association of Statisticians of American Religious Bodies figures show, both Kings County, New York (Brooklyn) and Allegheny County, Pennsylvania (Pittsburgh) saw a decrease in population and the number of adherents from 1952 to 2010, while the net number of congregations, and thus the proportion of congregations per population have grown in the same period. This parallel shows that Brooklyn and Pittsburgh are both faced with similar problem of shrinking congregations. The second reason for comparing these two counties is that the outcomes for adaptive reuse of historic religious properties are drastically different, and thus they can be used to identify the other factors that lead to these diverse outcomes. To the rest of America, Brooklyn represents rapid gentrification and inner-city revitalization. As many churches and other religious buildings are no longer needed, Brooklyn has dealt with this problem mostly by converting these churches to market-rate condos. There are at least 16 examples of adaptively reused religious buildings turned into condos in New York City, many of them in Brooklyn. None of them are affordable housing, or serve as community development resources for lower-income residents (Curbed NY, 2012). One of the case studies that has emerged in Brooklyn is of particular interest. The former Our Lady of Loreto Church, which has been vacant for several years, is the first church offered for redevelopment by the Catholic Diocese of Brooklyn, and could become the first case of adaptive reuse for a Brooklyn church that has community development at its core.

Pittsburgh was another city of interest for me because it is a city that has seen both tremendous growth and bitter decline. The changes in Pittsburgh have created an environment where local community development and involvement have become crucial to the survival of communities. One of the case studies is a unique enterprise called Union Project, which is a community center housed in a beautiful historic church building. Another adaptive reuse case study in Pittsburgh is Church Brew Works, a church turned into a brewery and a restaurant. This conversion is often cited in literature on the adaptive reuse of churches, and is one of the most famous and creative reuse projects in the nation. The two case studies in Pittsburgh are examples of how historic churches can be adapted to new use that benefits the community as a whole, rather than a use that satisfies the needs of wealthy residents.

Perhaps Brooklyn can take a cue from the case studies in Pittsburgh and use its wealth of vacant historic churches to benefit its less advantaged communities.

C. Choosing Case Studies

All 6 of these case studies illustrate different factors, and the diversity of the outcomes and the processes that lead to their adaptive reuse represents just how unpredictable and individual each case can be. No two buildings are the same, and no two neighborhoods have identical conditions for the adaptive reuse of their historic structures.

I have chosen 4 case studies in Brooklyn and 2 in Pittsburgh. The cases are meant to showcase the diverse economic, physical, and organizational conditions for the adaptive reuse of these churches. In Brooklyn the Arches is an example of adaptive reuse of a large church to market-rate housing in an extremely affluent area. The Sanctuary is similar, but the area is less affluent, and the property is much smaller. The St. Elias Church in Greenpoint was chosen because it is in the rapidly-transforming neighborhood of Greenpoint and its reuse is most likely inevitable. The former Our Lady of Loreto was chosen because it is in a less affluent and geographically isolated part of Brooklyn. This is perhaps the most complex case because it involves the creation of affordable housing on adjacent sites by a religious developer, while the church building itself sits vacant. The 2 cases in Pittsburgh are meant to showcase two models of creative strategies that can transform an old church into a profitable commercial business venture, in the case of Church Brew Works, and a highly-acclaimed local community center, Union Project.

D. Variables

The primary methods of gathering information for further analysis were to review all relevant literature on adaptive reuse, to find relevant policy documents and reports, to gather in-depth data on the economic and demographic conditions in each neighborhood, and to conduct interviews with local actors, preservation specialists, architects, program directors, and property owners. In order to evaluate the suitability of each historic church for adaptive reuse, and to identify its strengths and weaknesses the following variables were scrutinized for each case study:

- Economic features of each neighborhood such as incomes, rent levels, poverty rates, and unemployment. The data is drawn from the United States Census on the Census Tract Level.

- Housing features, such as foreclosure risk, home sales, property values, and vacancy rates. These variables allow us to evaluate the strength of the current market forces in each neighborhood that can determine the outcomes for adaptive reuse of buildings.
- Site-Specific Features of each church building, like the zoning, surrounding land uses, historic landmark status, eligibility for various tax credits, existence of regulatory burdens such as restrictive covenants, and the size and amount of lots in the possession of each building.
- Cost, such as the cost of purchase of the building, the ability of the owner to assume the costs for the adaptive reuse, and the deferred maintenance costs, which can severely impede the feasibility of the adaptive reuse project.
- Support, which can come in the form of funding through grants or endowments from foundations, support by local community groups, Community Development organizations, and preservationists, and the backing by the real estate development arms of various denominations.

This information was gathered through interviews, data available on websites, and Census datasets. The variables were chosen based on the interviews and the review of literature to determine which factors are instrumental for the possibility of adapting historic churches to new uses.

E. Individual Case Study Analysis

For each case study I have provided a background on the church building, the special features of the neighborhood like land use and zoning, the economic and demographic profiles of each Census Tract where the churches are located, and the description of project development. Together, these parts provide the context and tell the story of each case study's success or failure to adapt the church building to new use.

F. Comparative Analysis

In my quest to best explain why certain projects succeed or are failing, I utilized a multi-scalar approach that analyzed local contributing factors, such as regulatory factors (zoning and building codes), incentives, demographic and economic profiles, and real-estate conditions, community attitudes, and various obstacles. Through my qualitative and quantitative investigations, I attempted to understand how these adaptive reuse projects were made possible, and how they might affect the future of adaptive reuse of churches.

In order to paint a comprehensive picture of why the church was adapted or not, I developed a system of evaluating each variable discussed in the previous section and mapped out the scores on a

comparative matrix chart. The chart aggregates the scores for each variable and this rating system provides further insight into the capacity for adaptive reuse for the six case studies.

G. Recommendations

Finally, I provide a set of recommendations aimed at individuals and groups seeking to put vacant historic religious buildings to new use. These recommendations are drawn from conclusions inferred from literature review, interviews, and the comparative analysis of the case studies in Brooklyn and Pittsburgh.

PART 3: CASE STUDIES

3.1 CASE STUDY #1

The Arches (Formerly St. Peters Church) in Cobble Hill, Brooklyn.



View of the Arches from Hicks St.



View of the Arches from Warren St.

A. The Church

The Original 1969 Cobble Hill Historic District Designation Report Reads:

“... St. Peter’s Church provides a welcome relief to the high rows of apartment houses adjoining it to the south. The church was begun in 1859 under the pastorate of Father Fransioli with about 3,000 parishioners and was dedicated in 1860. It was designed by architect P.C. Keeley. Set back from the street, this early Romanesque Revival church displays some interesting detail. The round-arched windows heads have a crenellated effect which is most unusual while the side doors at the front have little gables which lend them dignity. The steeple, now gabled, was once surmounted by an octagonal spire which rose to a considerable height. A niche in the front of the church tower contains a statue. Handsome brick corbels extend around all four sides of the steeple beneath the louvered belfry.

In 1866 Father Fransioli built St. Peter’s School (Formerly Academy), a simple brick three-story structure with crenellated doorway and round-arched windows on the second floor similar to those of the church. The first and third floor windows have segmental arches and the structure is crowned with a low hipped roof.” (P.54-55).

B. Demographic and Economic Trends in Census Tract 49

| Census Tract 49 (Cobble Hill) | 1990 | 2000 | 2010 | Change From 1990-2000 | Change From 2000-2010 | Change From 1990-2010 |
|---|--------|--------|---------|--------------------------|--------------------------|--------------------------|
| Total Population | 2392 | 2593 | 2883 | 8.40% | 11.2% | 20.5% |
| Total Units (Residential) | 1006 | 1037 | 1165 | 3.08% | 12.3% | 15.8% |
| Vacancy in All Residential Units | 8.7% | 4.4% | 19.1% | -49.3% | 331.5% | 118.8% |
| Median Household Income (Adjusted to \$2010) | 72875 | 81600 | 82609 | 12.0% | 1.2% | 13.4% |
| Median Value of Owner Occupied House (Adjusted to \$2010) | 424100 | 811695 | 1000000 | 91.4% | 23.2% | 135.8% |
| Median Gross Rent (Adjusted to \$2010) | 976 | 1344 | 1705 | 37.7% | 26.9% | 74.7% |
| Poverty Rate | 9.2% | 4.6% | 0.0% | -50.0% | -100.0% | -100.0% |
| Unemployment Rate | 3.4% | 1.1% | 0.7% | -67.6% | -36.4% | -79.4% |

Retrieved from U.S. Census Bureau

Population & Vacancy

The population of Census Tract 49 has seen a steady increase since the 1990’s. In 1990 the population was 2392. In 2000 it had increased to 2593, for an increase of 8.4% and by 2010 it had increased yet another 11.2% to 2883. In 1990 there were 88 vacant housing units (8.75% of all units). In 2000 there 46 (4.4% of total), and in 2010 there were 223 vacant housing units (19.14%), for a overall increase of 118.8% in vacancy over the two decades from 1990 to 2000. Considering the high property values and high rent in the neighborhood, which are discussed below, even someone unfamiliar with the neighborhood will judge it to be a very high-demand neighborhood. While the population in the Tract increased, so did the vacancy rates. It is, then, safe to judge that more people are living in fewer units, pointing to a possible decrease in bachelor renters and an increase in families and family sizes.

Home Sales & Values

This Tract saw a 26.67% decline in home sales between 2006 and 2011, with 15 home sales in 2006, and 11 in 2011.

Adjusted to 2010 Dollars, the median home price in the tract increased from \$424,100 to \$811,695 (91.4%) from 1990 to 2000, and to over \$1,000,000 in 2010 (23.2%) for a total increase of 135.8%. With this kind of increase, it is not surprising that developers would be quick to convert struggling churches into condos.

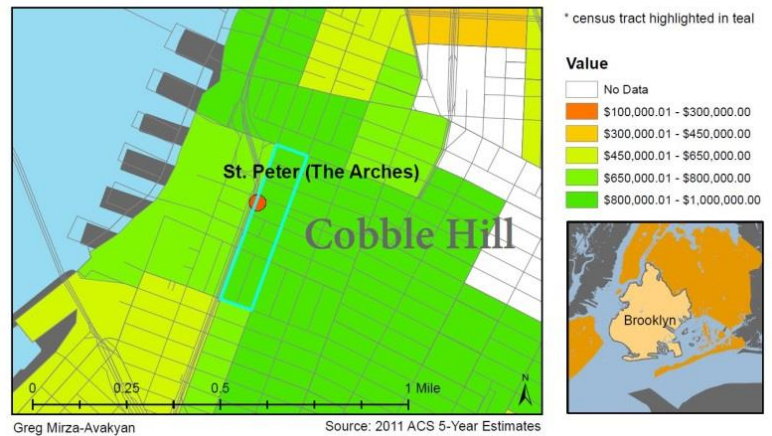
Income & Rent

Adjusted to 2010 Dollars the median household income in Census Tract 49 increased from \$72,875 to \$81,600 from 1990-2000 (12%) and to \$82,609 in 2010 to an overall 13% increase from 1990-2010. Median Gross Rent increased from \$976 in 1990 to \$1344 in 2000 and to \$1705. That is a 74.7% increase for the two-decade period (Adjusted to 2010 Dollars). This points to the tendency for the renters in this Census Tract to pay much higher rents relative to their incomes in 2010 than in 1990.

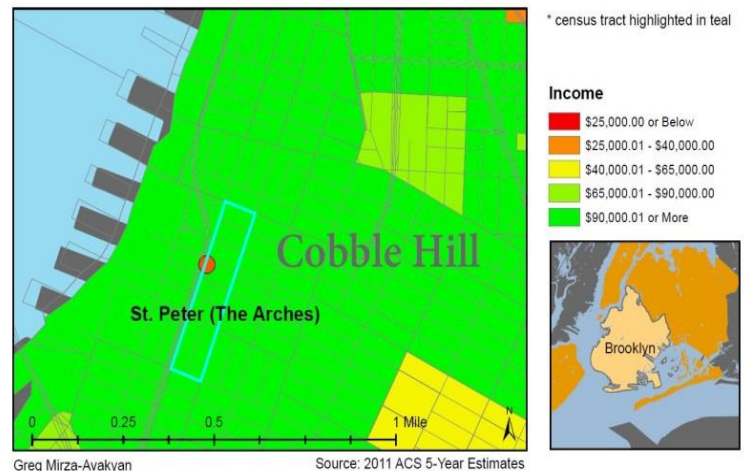
Poverty, Unemployment, and Foreclosure

While Cobble Hill is a very high-income neighborhood, Census Tract 49 had 9.2% of its families living below the poverty line in 1990. By 2000 that percentage had decreased to 4.6% and by 2010 there were

2010 Median Value for Owner-Occupied Households



2010 Median Household Income



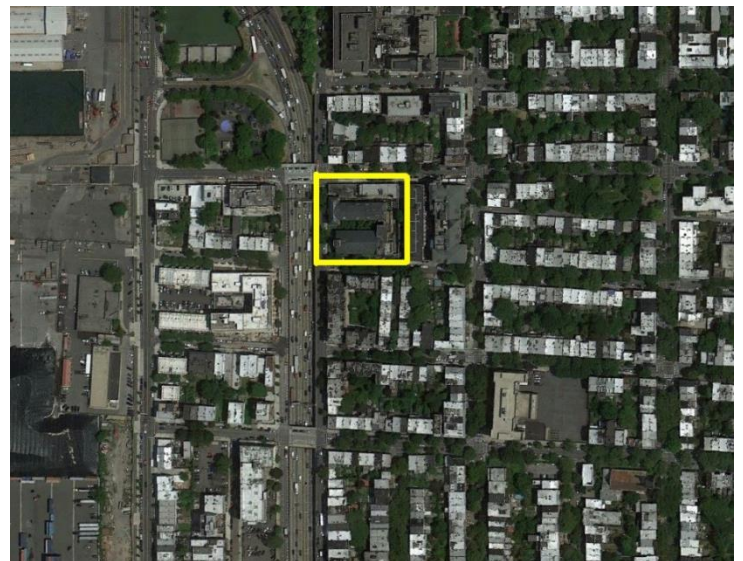
no families living in poverty. The unemployment rate also declined in this time period to only 0.7% in 2010, down from 1.1% in 2000 and 3.4% in 1990. In 2012 HUD ranked this area as having the lowest amount of foreclosure risk (1) out of 20 points.

Other indicators

Because this Census Tract has no symptoms of poverty, and does not contain any public housing, it is not eligible for any public financing at this point in time.

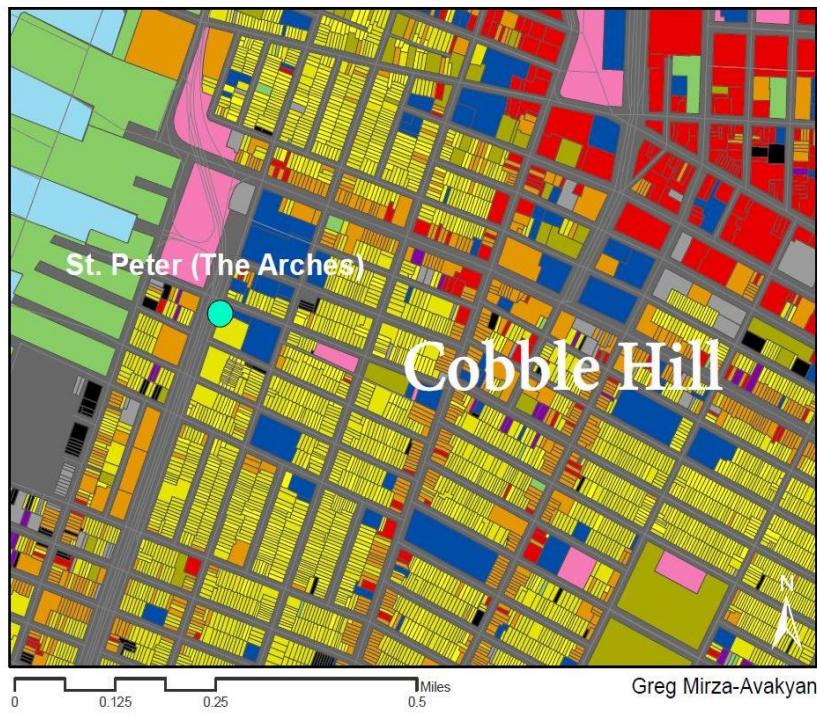
C. Special Features of the Area

The building is located in Census Tract 49 in an R6 LH-1 Zone, which means that any new buildings must have a height of 50 feet or below. Limited Height Districts exist where the neighborhood is designated a Historic District by the New York City Landmarks Preservation Commission. The Cobble Hill Historic District was locally designated on December 20, 1969 and was later listed on the National Register of Historic Places in 1976. The land uses in the neighborhood are primarily residential, with



A satellite view of the neighborhood. Source: Google Aerial Imagery

some public facilities such as the Long Island College Hospital and the Cobble Hill Health Center, which is directly to the east of the Arches. The complex faces the Brooklyn Queens Expressway.



Source: New York City
Primary Land Use Tax Lot Output

Land Use

- Single Family Residential
- Multi Family (Walk-Up)
- Multi Family (Elevator)
- Mixed-Use
- Commercial / Office
- Industrial / Manufacturing
- Open Space / Parks
- Public Facilities /Institutions
- Transportation / Utility
- Parking Facilities
- Vacant Land

Land Use in Cobble Hill, Brooklyn in 2010



Exterior views of the Arches. Photos by Greg Mirza-Avakyan

D. Project Development

The building was converted to condos in 2004. There are two current listings for 2-bedroom units, for \$850,000 and \$820,000. The complex consists of church building, the rectory, and the academy. The Arches was purchased by the neighboring Long Island College Hospital, who later sold it to a developer who converted the church to residential use.

Architect Robert Scarano, who worked on this project, said in an interview that the project was ultimately successful because of its location in a highly desirable, brownstone-filled neighborhood, and the timing: “in 2004-2005 the residential market was on fire, and any property that could be made residential, would,” he said. Residential Adaptive Reuse projects are some of the best sellers because when people, when buying are looking for a “hook,” and these buildings have it built in. Anne Friedman corroborated Scarano’s claim that market-rate conversions are more likely. She said that high-end residential conversions are conceivable, even where deferred maintenance costs are \$2-4 million, while “addressing affordable housing needs is tough.” In Manhattan it is especially tough because “the zoning envelope is so big.”

Scarano was able to make significant modifications to the church’s academy building because it is blocked from street view, and thus it was allowed to be extended in order to connect it to the rectory building. Because the building is in a locally and nationally designated historic district, Landmarks Preservation Commission, was very strict about the façades of the sanctuary building. They did not allow any alterations with the exception of allowing the removal of the stained glass windows in some places. Scarano said that one of the ways that the Arches was made into a viable development was by excavating the area of the courtyard between the rectory and the academy, which allowed for the construction of “mews entrances” to the private duplexes. Another alteration which made the development desirable was the modification to the roof of the academy, where the architect created cutouts which allowed some outdoor spaces and windows to be installed, bringing light into the units. More alterations would have been done if not for the landmark status, but the challenge is an interesting one, requiring the architect to get more creative.

The project did not make use of many additional incentives – the market alone was enough to make this conversion as successful;. However, the developer did use Preservation Tax Credits, though Scarano said it would have still made economic sense if not for the added incentive. In Scarano’s experience it is often difficult to get Historic Preservation Tax credits for landmarked buildings. For

projects like the Arches and The Sanctuary, the real estate market attracts the same kind of buyer as a brownstone building does. The economic impact of such projects is a positive one because now that the buildings are put to profitable use they are now taxable, as opposed to when they were churches.

What helped the adaptive reuse?

- The market was really strong.
- The architect was able to modify some structures despite NRHP listing.
- The church complex is very large, allowing for many units.
- Stable neighborhood indicators.

What could have doomed this church for demolition?

- HRHP listing, meaning the conversion had to follow stringed Standards of the Secretary of the Interior.
- High costs of deferred maintenance.

3.2 CASE STUDY # 2

The Sanctuary (Formerly Evangelical Lutheran Church of the Holy Trinity of Brooklyn) in Cobble Hill, Brooklyn



Views of the Sanctuary from Cumberland Street. Photos by Greg Mirza-Avakyan

A. The Church

The small neo-Gothic chapel dates from the late 19th century and was consecrated in 1897, and was originally the Evangelical Lutheran Church of the Holy Trinity of Brooklyn. The history of the church is ambiguous, however. An 1897 report by the *Brooklyn Daily Eagle* notes that the church was purchased by the Lutheran Church of the Holy Trinity. In 1915 the church was sold to the Deutsche Evangelisch Lutherische St. Lucas Kirche, and was sold again in 1919 to the Roman Catholic Diocese of Brooklyn. In the 70s the church housed the Capilla Catolica San Juan.

The Landmarks Preservation Commission Report of 1973 reads:

“The peak-roofed building has a central projecting entrance porch with a brick pointed-arched entryway and a corbelled brick cornice. This entry vestibule is flanked by narrow pointed-arched windows and brick end buttresses surmounted by octagonal wooden pinnacles. Above the entrance are a row of five small pointed windows and a rondel window. All of the pointed windows have stone lintels and sills.”(p.67).

B. Demographic and Economic Trends in Census Tract 181

| Census Tract 181 (Fort Greene) | 1990 | 2000 | 2010 | Change From 1990-2000 | Change From 2000-2010 | Change From 1990-2010 |
|---|--------|---------|--------|-----------------------|-----------------------|-----------------------|
| Total Population | 3890 | 3895 | 4124 | 0.13% | 5.9% | 6.0% |
| Total Units (Residential) | 2251 | 2358 | 2492 | 4.75% | 5.7% | 10.7% |
| Vacancy in All Residential Units | 12.3% | 6.3% | 10.7% | -48.7% | 68.9% | -13.3% |
| Median Household Income (Adjusted to \$2010) | 54372 | 63782 | 76293 | 17.3% | 19.6% | 40.3% |
| Median Value of Owner Occupied House (Adjusted to \$2010) | 421430 | 549192 | 527100 | 30.3% | -4.0% | 25.1% |
| Median Gross Rent (Adjusted to \$2010) | 983 | 1056.09 | 1524 | 7.4% | 44.3% | 55.0% |
| Poverty Rate | 7.9% | 7.3% | 8.8% | -7.6% | 20.5% | 11.4% |
| Unemployment Rate | 7.5% | 6.4% | 7.2% | -14.7% | 12.5% | -4.0% |

Retrieved from U.S. Census Bureau

Population and Vacancy

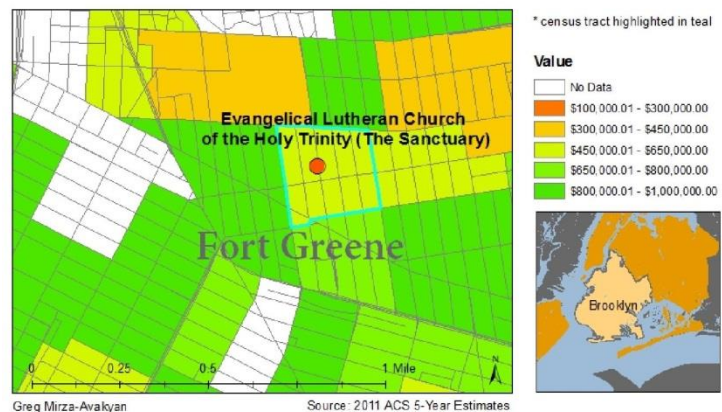
The Fort Greene Census Tract 181 experienced a slight increase of .13% in population from 1990 to 2000 (3890 to 3895), and another 5.88% increase in 2010 to a total population of 4124. The vacancy, however, remained dropped only by 11 units from 1990 to 2011. Because the census tract boundaries have not changed since 1990, the large increase in population and just a small drop in vacancy would suggest the construction of new units. Indeed, while there were 2251 units in 1990, there were 2492 new units in 2010, for an increase of 11%. Looking further at stats, in this two-decade period there was an increase of 234 in population, and 241 additional units built. That is just about 1 unit per additional

person in the tract. With the vacancy not being a major factor, one could assume that the neighborhood is undergoing an influx of single young professionals.

Home Sales and Values

There were 48 units sold 2006, before the recession, and 33 in 2011. That is a 31.25% drop in sales. Interestingly, the Median Value of Owner Occupied House in the Census Tract has actually dropped since the ten years prior to the 2010 census, when adjusted to 2010 Dollars. While the values increased an overall 25% from 1990 to 2010, they dropped 4% from 2000 to 2010 to the median of \$527,100.

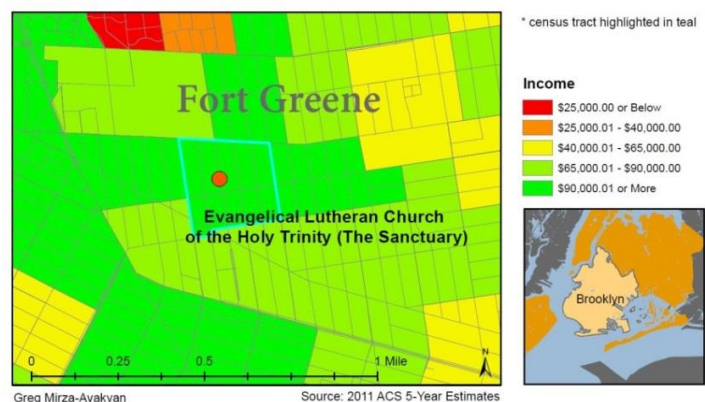
2010 Median Value for Owner-Occupied Households



Income & Rent

From 1990 to 2000 Median Household Incomes increased 17.3% and grew another 19.6% from 2000 to 2010, for an overall growth of 40.3% in the two-decade period. This represents a change from \$54,372 to \$76,293 in 2010 Dollars - a large leap indeed, and the second-highest of the Brooklyn Census Tracts that we are looking

2010 Median Household Income



at. Median Gross Rent in the tract grew by 55% from 1990 to 2010 (from \$983 to \$1524) with the majority of this increase occurring in the last decade. The story which can be assumed in by looking at the numbers is that the incomes roughly correspond with the gross rent growth, though rent still represents a larger percentage of incomes than it did in 1990. We should still look at poverty and other indicators to see a bigger picture.

Poverty, Unemployment, and Foreclosure

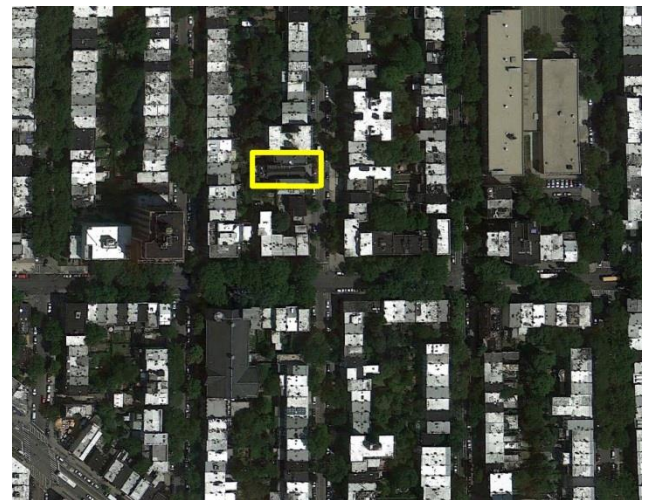
The families living in poverty represents 8.8% of the Census Tract population in 2010. While this is a relatively low figure, it is a higher percentage than in 2000, when it was 7.3%, and 1990 when it was 7.8%. So while poverty was on decline throughout the 90's, it increased even more by 2010. The unemployment rate, however, is slightly down from 1990 to 2010 – a 4% drop from 7.5% to 7.2%. Considering the neighborhood is much less family-oriented than it was in 1990, the drop in unemployment seems surprisingly small. The Foreclosure Risk in 2009, according to HUD, was 3 of 20, which is quite low.

Other Indicators

The Tract where The Sanctuary is located is located in a CDBG Grant Eligible zone, which qualifies it for the Neighborhood Stabilization Program that could allow the city to receive federal funds to buy out vacant property. Despite being a CDFI Program Investment Area, the Census Tract does not qualify for New Market Tax Credit; and because it is not a HUD qualified Census Tract, it is not eligible for LIHTC (Low-Income Housing Tax Credit), either.

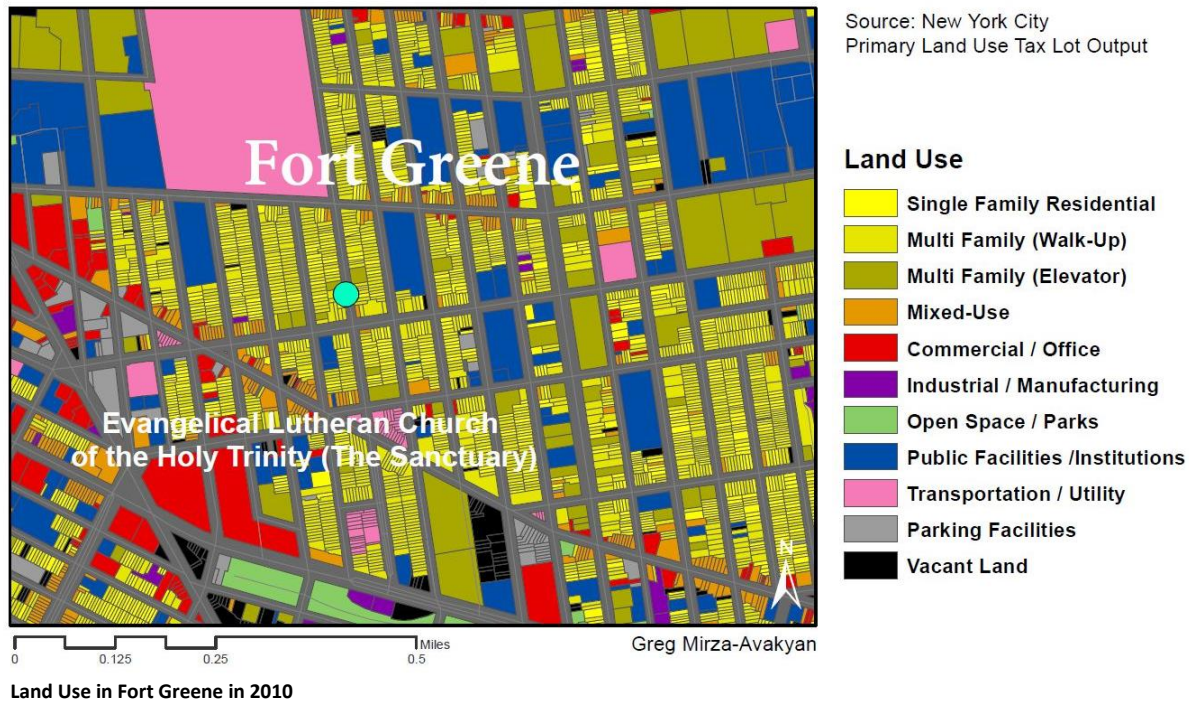
C. Special Features of the Area

The building is located in Census Tract 181 of Kings County. As of 2007 the block is in an R6B area, which means that contextual zoning regulations are in place, which are discussed in the section on St. Elias church. Because this church was adaptively reused, and no new floors were added to the existing structures, the buildings are in accordance with the current zoning code. Because the church building is located in the Fort Greene Historic District, the contextual zoning will help to preserve the character of that neighborhood.



A satellite view of the neighborhood. Source: Google Aerial Imagery

The Church is in a district that has been included National Register of Historic Places since 1983. The district has also been a New York City LPC Designated Historic District since 1978. The neighborhood surround the church is a primarily residential district dominated by brownstone row homes.



D. Project Development

Much like the Arches, which was also designed by architect Robert Scarano, the Sanctuary Condos was a lucrative and fool-proof investment for the developers. The church building provided an anchor for the buyers, even though the vast majority of the apartments are located in the adjacent rectory building. The project was completed in 2008. There is a current listing for a 2 bedroom, 1,084 Sq. Ft. unit in the converted building for \$910,000. The last sale had a closing price of 1,010,000 on 01/10/2013 for a 1 bedroom unit (StreetEasy, 2013).

What helped the adaptive reuse?

- The real estate market was really strong.
- The architect was able to modify some structures despite NRHP listing.
- The adjacent building, which was well-fit for residential use, provided the economic resources to reuse the church building as well.
- The neighborhood economic indicators were stable.

What factors could have led to the demolition of the church?

- Because the church is small, its presence in the neighborhood is not particularly significant. There are no key events in American history tied to the church. Perhaps in another, less affluent neighborhood it could have been left to decay until its restoration became unfeasible.

3.3 CASE STUDY # 3

St. Elias Church (Formerly Reformed Dutch Church) in Greenpoint, Brooklyn



Views of St. Elias church from Kent St. (Source: Brownstoner.com)



Views of the interior of St. Elias church. (Source: CurbedNY)

A. The Church

Built of brick, brownstone, and whitestone, the Architect William B. Ditmars's St. Elias church was designed in 1869 and finished in 1870 in the High Victorian Early Romanesque Revival style. In the 1970s until its closure it was used by the St. Elias Eastern Rite Roman Catholic Church (Alternatively and sometimes pejoratively called "Uniate," and was at one point only one of twelve in the world (Mazur, 2013). The Sunday school was designed by architect w. Wheeler Smith. The 1982 Report LPC report further reads:

"the focus of the Reformed Dutch Church of Greenpoint is the pedimented entrance portico located in the center of the building. The projecting element was a compound round-arched entry supported by columns with naturalistically-carved capitals. The outer arch banded voussoirs which are now painted, making them even more emphatic than in the original design. Each of the flanking towers has a smaller entrance arch with similar columns and banding. All of the entrances retain their original double doors. Above the main entrance is a large wheel

window with heavy wooden mullions and banded half surround. All of the other openings on the front facade are narrow round-arched windows with diamond-paned glass and banded voussoirs. “ P. 38

B. Demographic and Economic Trends in Census Tract 565

| Census Tract 565 (Greenpoint) | 1990 | 2000 | 2010 | Change From 1990-2000 | Change From 2000-2010 | Change From 1990-2010 |
|---|--------|--------|--------|-----------------------|-----------------------|-----------------------|
| Total Population | 3681 | 3530 | 3053 | -4.10% | -13.5% | -17.1% |
| Total Units (Residential) | 1620 | 1619 | 1800 | -0.06% | 11.2% | 11.1% |
| Vacancy in All Residential Units | 4.9% | 4.9% | 15.6% | 0.1% | 214.8% | 215.0% |
| Median Household Income (Adjusted to \$2010) | 55562 | 42431 | 62250 | -23.6% | 46.7% | 12.0% |
| Median Value of Owner Occupied House (Adjusted to \$2010) | 198202 | 339747 | 732100 | 71.4% | 115.5% | 269.4% |
| Median Gross Rent (Adjusted to \$2010) | 721 | 888 | 1319 | 23.1% | 48.6% | 82.9% |
| Poverty Rate | 9.3% | 7.8% | 15.2% | -16.1% | 94.9% | 63.4% |
| Unemployment Rate | 670.0% | 3.6% | 5.3% | -46.3% | 47.2% | -20.9% |

Retrieved from U.S. Census Bureau

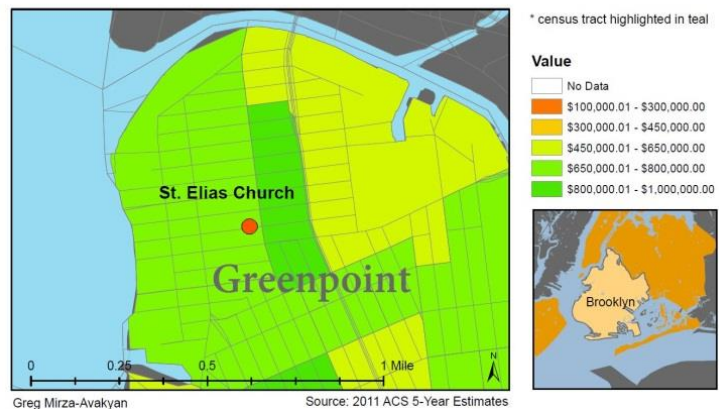
Population & Vacancy

Unlike many Brooklyn neighborhoods, the population of Census Tract 565 in Greenpoint has been decreasing since the 1990s. In 1990 there were 3681 residents, in 2000 there were 3530, and in 2010 there were 3053. Change from 1990 to 2010 is a 17% decrease. At the same time, vacancy of housing units in the neighborhood in the same period saw a 215% increase – from just 4.94% in 1990 to 15.56% in 2010, a year in which 280 units were vacant. Considering the increase in rent and values of homes discussed below, the population drop may be explained by the flight of the previous residents to less expensive areas.

Home Sales & Values

There was only one home sale in 2006, but in 2011 there were 47. Adjusted to 2010 Dollars the neighborhood saw a dramatic increase of 71.4% in median values between 1990 and 2010, going from \$198,202 in 1990 to \$732,000 in 2010. The bulk of this change occurred between 2000 to 2010, when prices rose

2010 Median Value for Owner-Occupied Households



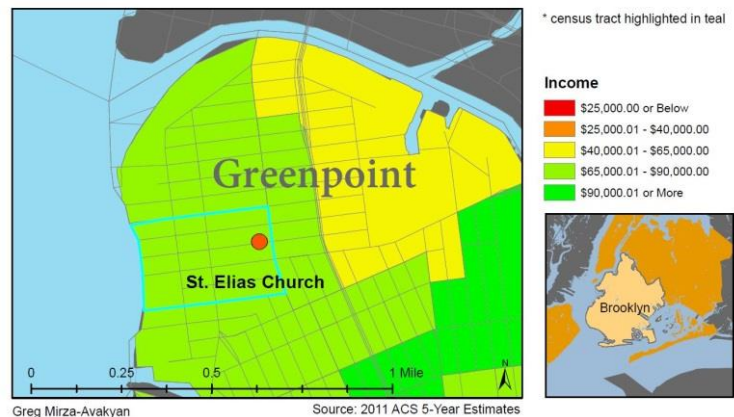
by 115.5%. Considering the high rates of vacancy and depopulation in the tract, it is surprising to see prices to such a degree. The introduction of affordable housing could significantly boost affordability and bring the population back to previous levels.

Income & Rent

Adjusted to 2010 Dollars the Census Tract in Greenpoint saw an overall increase of 12% from 1990 to 2000, but there was a sharp drop from 1990 to 2000 of 23.63% from 1990 to 2000, only to be replaced by a 47% increase in median household incomes in 2010. The Median Household Income in 2010 was \$62,250. Rent in the

neighborhood has dramatically increased in two decades, from \$721 in 1990 to \$888, and to \$1,319 in 2010 for an overall increase of almost 85%. This amounts to over \$15,000 in annual rent, which is more than a quarter of the Median Household Income.

2010 Median Household Income



Poverty, Unemployment, Foreclosure

Poverty in the neighborhood has increased since 1990. The Percentage of families living below the poverty line rose from a 7.8% low in 2000 to 15.2 in 2010. Unemployment was not a big problem in this Tract of Greenpoint, at only 5.3% in 2010, almost 1.4% less than in 1990.

These trends point to a widening gap in incomes in the neighborhood. If the home prices are rising and median incomes are rising, but the poverty rate is rising, while unemployment is dropping, it is safe to assume that the increased rents are most likely the main cause for hardship for long-time residents.

The tract is a low-risk foreclosure zone with only 2 points (of 20). Considering that in the 2010 census we saw rapidly increasing home values and median income, low unemployment, low poverty, low foreclosure risk, and increasing home sales in 2011 from a rather large stock of vacant units (280 units in 2010), it could be assumed that the neighborhood is seeing all the symptoms of gentrification.

Other Indicators

Census tract 565 does not contain any public housing, but it does qualify for certain financial assistance programs. These include:

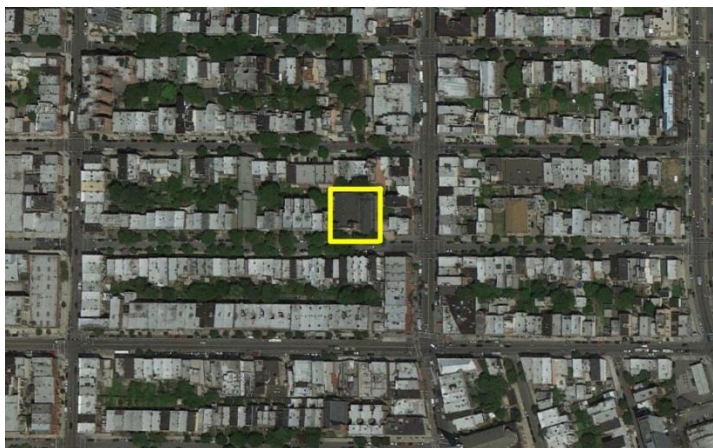
- 1) HUD Neighborhood Stabilization Program eligibility, which provides Community Development Block Grant (CDBG) funds for the establishment of financing mechanisms for the purchase and redevelopment of foreclosed homes and residential properties, to establish land banks for foreclosed homes, and to demolish blighted structures and redevelop vacant properties. Being CDBG eligible also guarantees local businesses to receive for section 108 loans.
- 2) The tract is a CDFI Program Investment Area, meaning CDFIs (Community Development Financial Institutions) can receive financial or technical assistance to promote economic development, to develop business, to create jobs, and to develop commercial real estate, as well as to develop affordable housing (CDFI Fund, 2013).

C. Special Features of the Area

Greenpoint was included as a Historic District in the National Register of Historic Places in 1983. Just a year before that it was designated a Historic District by the Landmarks Preservation Commission of New York City.

Greenpoint has been settled since the Dutch had established domain in 1645, and 200 years later a major shipbuilding industry had blossomed in the neighborhood. China, Porcelain, and Glass were other major industries firmly established in Greenpoint since the mid-1850s, at which time it became an industrial center. By 1875 an Oil Industry had emerged in Greenpoint and Williamsburg, and Astral Oil Works founder Charles Pratt had built one of the country's first model housing developments for workers. (p. 1-7).

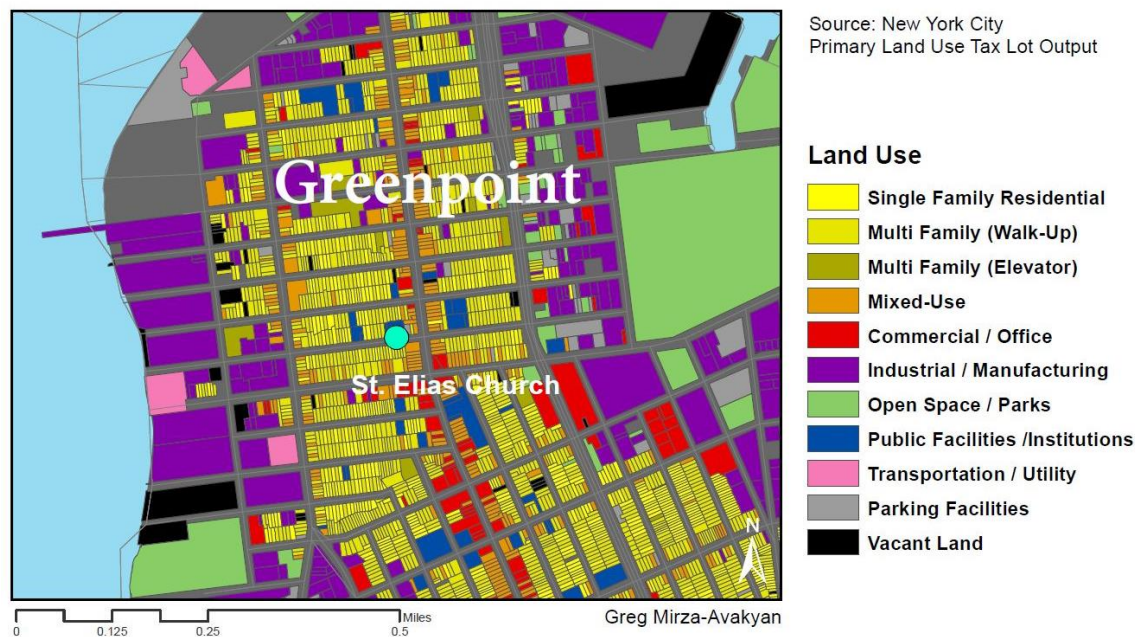
The Church is located in Census Tract 565 of Kings County. The entire mid-block section of the stretch of Kent St., on which St. Elias is located, is zoned R6B. A very small part of the property is located on a R7A/C2-4 zoned area. The R6B, which is the majority of the lot, is designed to protect the character of the neighborhood by introducing contextual



A satellite view of the neighborhood. Source: Google Aerial Imagery

zoning regulations such as building height limitations (2.0 FAR, 50' maximum height, one curb cut per zoning lot, and a 10' setback on the top floor, and a requirement for off-street parking for every other unit). The rezoning was approved in 2009. The rezoning includes an incentive for affordable housing by allowing an increased FAR in R7A zones from 3.45 to 4.6 if 20 percent of the development is for permanent affordable and low-moderate-income residents (NYC.gov DCP). Of course, if the church remains, none of these zoning regulations will affect the future use. However, if prospective buyers decide to demolish the school and build housing in its place to increase revenues, they could use these incentives.

The church is located in a residential section of Greenpoint, adjacent to the mixed-use commercial corridor of Manhattan Avenue.



Land Use in Greenpoint in 2010

D. Project Development

The church closed its doors in 2007. It was originally sold for \$4 million, and is now the market for \$4.75 Million, or \$7.1 Million together with the Sunday school(February 2012); It has not yet adapted to new use. The church is the lone example from the case studies in this Thesis that has had no adaptive reuse proposals. Therefore the discussion on this church is only speculative, and can identify the conditions that can prevent a historic religious building from being adapted to new use. Brokers have

been trying to sell the church as a potential mansion or condo conversion since the time of its closure, though it has occasionally been rented out for special events. Jazz musician Pat Metheny and his Electronic Orchestra have performed at the open houses in the attached school building. The St. Elias Church has also been made available for film shoots, and any number of other short-term uses (ScoutingNy.com).

The Head of the North Brooklyn Development Corporation Rich Mazur believes the church will be converted to new use eventually, but that currently it is not economically feasible. He estimates that it would cost about \$10 million to renovate and repurpose the building, which is locally and nationally landmarked as a part of the Greenpoint Historic District. He would like the church to be used as an art or performance center, since the high ceilings and classic architecture would lend themselves perfectly to such use. “We are now a magnet for artists,” he said, in defense of a potential art-venue reuse, and it would be a “huge win for everyone” if the church were turned into a venue. Because the neighborhood lacks a classical music stage, Mr. Mazur would be most pleased to see St. Elias be reused as a classical music performance space. He is, however, concerned that once the building is put to new use the stained glass and the detail of the façade will be removed.

There is hope for the church, however. The parish house, which is currently being rented out, could provide the startup funds to re-use the church building, if sold. Mr. Mazur cited the rapidly rising income, as well as the estimated 20 thousand new units that would be built on the Greenpoint Waterfront, will make the neighborhood even more desirable, and at some point the church will have to be converted. Recently the North Brooklyn Development Corporation redeveloped a historic police precinct in Greenpoint using low-income housing grants from the Borough President’s and Councilman’s discretionary spending budget. The police precinct project consists entirely of low-income housing units that have sold for about a quarter of the market value, according to Mazur. A police precinct, however, lent itself to conversion much easier than a church would.

When asked what is the best way to preserve and adapt the St. Elias church to new use, Mr. Mazur responded that publicity is perhaps the most important step – it is crucial to get investors interested and to get foundation money. “It would also take someone who is dedicated,” since the process of adaptively reusing a landmarked church requires a lot of research and patience to see the project through. Bette Stoltz of South Brooklyn Local Development Corporation mirrors the importance of getting people involved. She said that the income of the neighborhood is not the strongest indicator

for the success of an adaptive reuse projects. Instead local community organizing is the thing that is instrumental for success of such projects.

What could help the prospects of adaptive reuse for the church?

- Skyrocketing property values in Greenpoint.
- Eligibility for Historic Preservation Tax Credits.
- Location in a historically designated district, and proximity to transit.
- Stable neighborhood indicators.

What factors could lead to the eventual demolition of this church?

- There is very little local publicity and “buzz” about the church.
- Some features of the church, such as the steeple, have been removed over time.
- The adjacent rectory is too small to generate the kind of income that could fund the costs for the adaption of the church.
- The adjacent rectory nearly fills the contextual zoning envelope for the property, making its redevelopment to a larger building impossible.

3.4 CASE STUDY #4

Our Lady of Loreto Church in Brownsville, Brooklyn



Views of our Lady of Loreto Church from Sackman St. (Sources: left – Bridgeandtunnelclub.com; right – Greg Mirza-Avakyan)

A. The Church

In some ways, of all the churches built by Italian-Americans throughout the country, this is the most important one. Finished in 1908, the Renaissance-Revival Church was originally known as the National Italian Catholic Church. The structure was once the heart of a thriving Italian-American community who had settled around the land farmed by the very first Italian settler on U.S. soil.

The construction of the church was financed by newly arrived Italian immigrants, who made the church the center of their community. The architect was Adriano Armezzani, and the primary builders associated with the church are the Federici brothers. The church's original windows were designed by John Morgan & Son, a distinguished stained-glass New York designer. The building is characterized by a neoclassical Roman Renaissance façade and frescoed ceilings in the interior (Vitello, 2010).

B. Demographic and Economic Trends in Census Tract 365.02

| Census Tract 365.02 (Brownsville) | 1990 | 2000 | 2010 | Change From 1990-2000 | Change From 2000-2010 | Change From 1990-2010 |
|---|--------|--------|--------|-----------------------|-----------------------|-----------------------|
| Total Population | 830 | 996 | 1066 | 20.00% | 7.0% | 28.4% |
| Total Units (Residential) | 259 | 361 | 484 | 39.38% | 34.1% | 86.9% |
| Vacancy in All Residential Units | 14.7% | 13.9% | 24.8% | -5.6% | 79.0% | 69.0% |
| Median Household Income (Adjusted to \$2010) | 15508 | 35039 | 48971 | 125.9% | 39.8% | 215.8% |
| Median Value of Owner Occupied House (Adjusted to \$2010) | 279452 | 211598 | 447400 | -24.3% | 111.4% | 60.1% |
| Median Gross Rent (Adjusted to \$2010) | 684 | 799 | 1182 | 16.8% | 47.9% | 72.8% |
| Poverty Rate | 46.0% | 32.7% | 18.3% | -28.9% | -44.0% | -60.2% |
| Unemployment Rate | 43.0% | 10.1% | 4.7% | -76.5% | -53.5% | -89.1% |

Retrieved from U.S. Census Bureau

Population and Vacancy

Census Tract 365.02 is the smallest tract in our study. The population has been steadily increasing since the 1990 census – from 830 individuals in 1990 to 996 in 2000, and 1066 in 2010. The change amounts to a 28.5% increase, the highest from all the Brooklyn Census Tracts in this study. The number of units in the neighborhood has dramatically increased from 259 in 1990 to 361 in 2000, and 484 in 2010, for a 39.4% and 34.1% increase in those respective decades. However, the vacancy in the Tract has also shot up to 24.8% in 2010 from 14.7% in 1990, after a slight dip in 2000. This means that in 2010 there were 120 unoccupied units. In 1990 there were about 3.75 people per occupied unit. In 2010 that number decreased to 2.92 people. Like in the other Brooklyn Census Tracts, we are seeing a shift in the kind of households that make up the districts. Considering the increase in incomes and the dramatic decrease in poverty and unemployment, Census Tract 365.02 has completely transformed in the last two decades to a middle-class community.

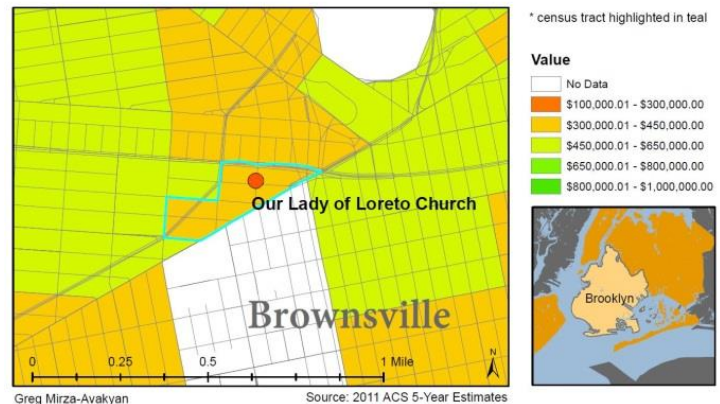
Home Sales and Values

Because the district is so renter-dominated, there were no sales in either 2006 or in 2011. The values of owner-occupied homes, however, have increased by 79% from 2000 to 2010 to a median value of \$447,400.

From 1990 to 2000 the values had actually decreased by 24.3%. According to the ACS 2011 5-Year Estimates there were just 38

owner-occupied units in the Tract, 29 of which were in the \$300,000 to \$499,000 range. This could be due to a single 29-unit condo project with similarly-priced units built in the last several years.

2010 Median Value for Owner-Occupied Households

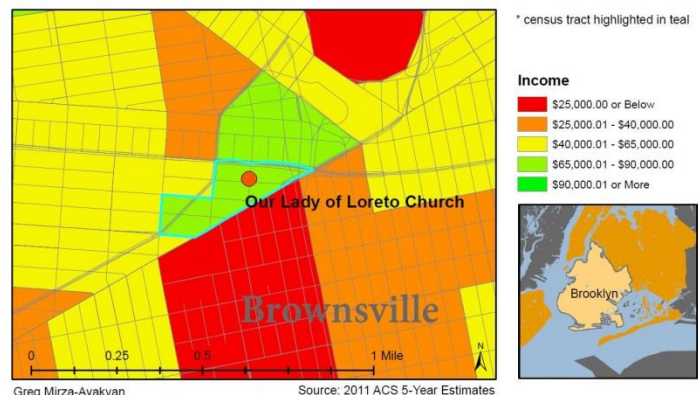


Income & Rent

Median Household Income, adjusted to 2010 Dollars have increased dramatically in the Census Tract in the last 2 decades. From 1990 to 2000 this figure rose from a mere \$15,508 income to \$35,039 (a 125.9% growth), with a further increase to \$48,971 by 2010 (another 39.8% increase). This is by far the largest increase in incomes out of all

the Census Tracts used in this study. Median Gross Rent grew much slower than incomes: from 1990 to 2000 it grew from \$684 to \$799, and to \$1,182 in 2010 for an overall 72.8% increase. Whereas Median Gross Rent constituted nearly 53% of the Median Household income in the Census Tract in 1990, by 2010 that percentage became 29%.

2010 Median Household Income



Poverty, Unemployment, and Foreclosure

Poverty was rampant in 1990, at 46% of the population. The Census Tract has seen a 60% reduction in poverty to 18.3%, which is lower than New York City as a whole, at about 21%. Unemployment is also

very low, at only 4.7% in 2010, compared to 10.1% in 2000, and 43% in 1990. The Foreclosure Risk Score as of 2009, however, was 14 out of 20.

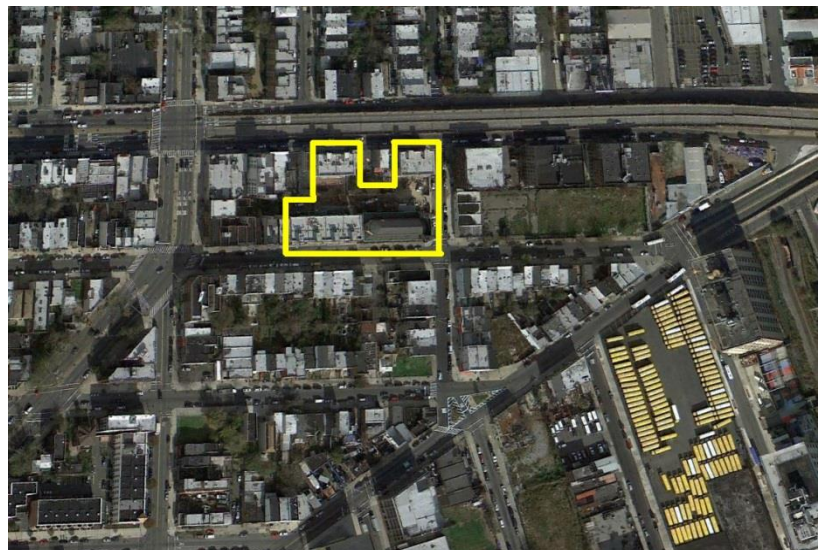
Other Indicators

Census Tract 365.02 is eligible for many Federal incentive programs, including Low-Income Housing Tax Credits, New Market Tax Credits, CDBG Grants, and the HUD Neighborhood Stabilization Program. It is also a BEA Distressed community and a CDFI Investment area. Most of these assessments were made in 2008. The area has taken of the federal incentives and has created much-needed affordable housing in the last few years. (Downs, 2013).

C. Special Features of the Area

The church is located in Census Tract 365.02 in an R6-zoned district. The district also an EZ (Empire Zone). This program is designed to stimulate business growth in selected areas in the state of New York by providing a host of tax credits, utility discounts, and local incentives to businesses that introduce

capital investments and create jobs at a facility located within the Empire Zone. These incentives have included: Wage Tax Credits, available to companies hiring full-time employees in the zone; Investment Tax Credits, available to companies making an investment in the zone for a depreciable property; Employment Incentive Credit available for those companies that

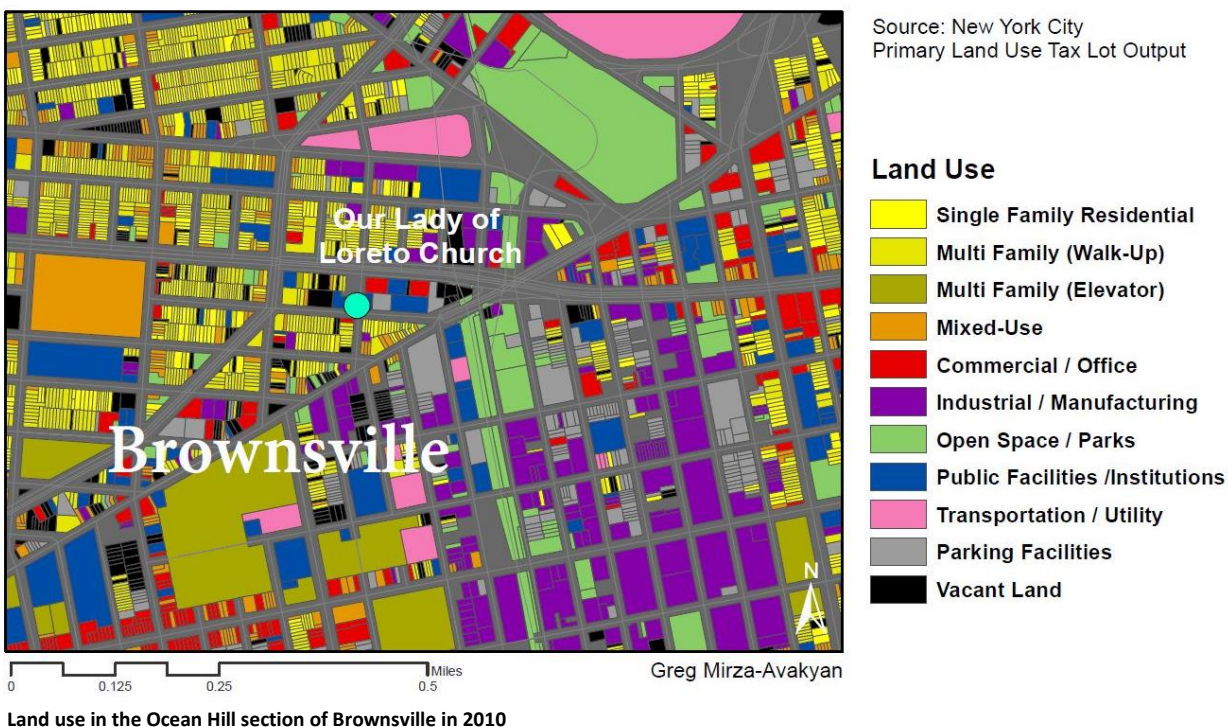


A satellite view of the neighborhood. Source: Google Aerial Imagery

have increase employment for each of three years after the Investment Tax Credit is claimed; Zone Capital Credits, available for personal or corporate income tax payers for contributions to approved community development projects; and NYS Sales Tax Refunds, if the purchase of materials used in the construction of industrial or commercial property in the zone was purchased in the Empire Zone. This program was in the process of being shut down as of 2011, but may have been effective in spurring job growth and other improvement in the Census Tract.

It is also in the vicinity of the East New York Industrial Business Zone (IBZ), a New York Economic Development Corporation program initiated in 1997 that was designed to put 30 formerly vacant city-owned properties to efficient use. To date over 625 jobs have been created. Part of the relative improvement in this district may be attributed to the new jobs in the area. (Renaissance Org)

The area is primarily residential, with some industrial uses. The Land Use Map for the district shows several vacant properties in the vicinity of the Church.



D. Project Development

Currently the church building sits vacant at the corner of Sackman and Pacific streets, on an 11,500 square foot lot with 16,000 feet of floor area. In August of 2008 the Diocese of Brooklyn announced that it would close the church and merge the parish with Our Lady of Presentation in Bedford-Stuyvesant (Duffy, 2008).

The Catholic Charities Progress of Peoples Development Corporation (POP), a subsidiary of the Catholic Charities of Brooklyn and Queens (CCBQ) has had full control of the building since 2010. The Archdiocese originally intended to demolish the entire church complex, but the main building remains standing thanks to the efforts of preservationists and community advocates. The convent and the school

have been demolished and replaced by the affordable housing complex called Loreto Apartments developed by POP and the Community Preservation Corporation, a New York non-profit which specializes in affordable housing creation. Three affordable-housing four-story walkups have already been built, and should be occupied by July of 2013.

Though the Catholic Diocese of Brooklyn originally planned to demolish the church, it has since changed this judgment thanks to the efforts of numerous community groups, including the Italian Americans for Preservation and Community, the Brownsville Heritage Center, the New York Landmarks Conservancy, and the North East Brooklyn Housing Development Corporation (Pearson, 2010).

In 2010 POP began talks with State and City agencies, including the New York State Historic Preservation Office (SHPO) to explore redevelopment and preservation options, while the church building was being considered for the State Register of Historic Places. Technically, the building can be subdivided and/or retrofitted for new uses. A study has estimated that 16-20 units can be built in the church building, but POP cannot finance their construction without the involvement of other parties. The building's relatively isolated location prevents it from being feasible for adaptive reuse for commercial use (Downs, 2013).

On March 17, 2013 Progress of Peoples Development Corporation released a Request for Proposals (RFP), inviting private developers to propose new uses for the church building. This marks the first time that public input is invited for any Catholic church reuse in New York. Under the terms of the RFP the site will be sub-leased for 1 for 5 years, with a potential of a long-term 48-year lease. The selected developer will be responsible for permanent, and short-term (construction, rehabilitation) sources of financing. The selection of the developer by POP will depend on the evaluation of the applicant's professional qualifications, experience in adaptive reuse, and sustainability practices, among other considerations. Furthermore, the applicant is responsible for assembling a development team for "undertaking the design, construction, marketing, and management of the community facility and/or residential units" (Catholic Charities of Brooklyn and Queens, 2013).

David Downs, Senior Project Manager at POP revealed in an interview on March 6th 2013 that it is the desire of the organization was to see the Church converted to community use. The RFP goes into further detail, outlining the potential programming of the community facility that is recommended for the site:

- Arts programs, including performing arts.
- Community Groups and non-profit organizational space.
- Continuing education for youth and adults.
- Cultural groups.

- Day care and after-school programming.
- Public meeting and event space (including private events).
- Senior center.
- Other community spaces, as approved under current lease.

It should be noted that because the church would be sub-leased, the basement could still be used by the nearby Our Lady of Presentation parish. Applicants are allowed to submit proposals for new construction, which would entail the demolition of the church, if they can prove the adaptive reuse of the existing building to be infeasible. If the building is reused, however, the developers are encouraged to proceed with repairs that are in accordance with the Secretary of the Interior Standards for Treatment of Historic Properties. Because the church is still not listed on the Register of Historic Places (Federal or State), however, the developer is not required to follow the Standards.

Furthermore, the developer will be responsible to inform the Community Board of the progress of the development on a regular basis and to participate in outreach meetings with the community. The developer is also encouraged to include residential units as a part of the proposal. The project may be subject to environmental review requirements of the New York Environmental Quality Review Act (CEQRA). The final proposals are due on May 17, 2013. The final proposal is to include the following documents: the Applicant's letter, a narrative overview describing the proposal, a description of the applicant, the applicant's experience, a financing proposal, letters of interest for private and public funds, a narrative describing the plans for community use, a design narrative, an architectural submission including the site plan, photographs, zoning and building code compliance statistics, floor plans, elevations, and safety plan, sustainability elements, design team experience description, as well as a development schedule.

Unfortunately there are several factors working against the potential success as an adaptive reuse project. Mr. Downs believes that there are too few local community organizations in the area, which leaves a profit-generating use as the only way to preserve it. Furthermore, right across the street from the church there is a drop-in clinic and a methadone facility, which makes the area less desirable. According to a needs assessment by POP there is a \$3 million price tag on the most basic renovations required to keep the church structurally sound, without taking into account the infrastructure that will need to be put in. Since the building has been de-sanctified POP has been approached by several groups intent on reusing the building as a church, but the current lease prohibits such a use.

What could help the adaptive reuse of this church?

- The land is inexpensive, and the lease is symbolic. The main cost for the developer is construction.
- The new affordable housing units made the neighborhood and the immediate block more desirable.
- The need for community gathering spaces in the neighborhood.
- Positive economic growth, increasing incomes, and low unemployment.

What factors could lead to the eventual demolition of this church?

- Geographic Isolation from the larger neighborhood.
- High costs of deferred maintenance and infrastructure replacement.
- Relatively weak real-estate market.
- High foreclosure risk rate.

3.5 CASE STUDY # 5

St. John The Baptist Roman Catholic Church (Church Brew Works) – Lower Lawrenceville, Pittsburgh



Church Brew works from Liberty Ave. (Source: Adaptivereuse.info)



Interior of Church Brew Works. (Source: Adaptivereuse.info)

A. The Church

Irish migration to Pittsburgh in the 1870s brought a need for Catholic houses of worship. The original St. John, The Baptist was consecrated in 1879, with Rev. Charles Neeson serving as the first pastor. School facilities were on the second floor, while the church occupied the first floor. Classes opened in 1880, with five Sisters of Charity serving as teachers. Since the church originally lacked a convent, the Sister commuted daily from Sacred Heart Convent in East Liberty. In September of 1881 a

house at 2943 Penn Avenue was purchased for the purpose of building a convent and a small frame school on its site.

However, as the parish continued to grow there was a need for a new church. Land was purchased in 1901 and the church at the current site of Church Brew Works was completed in 1903 under the direction of John Theodore Comes for the Beezer Brothers. It possesses unique qualities, such as the broadly striped brick, stone, and terra Romanesque style.

In the 1920s Father Albert J. Wigley, Reverend, was tasked to construct a new rectory on the Liberty Avenue property. 1924 saw the completion of 2 high schools - for boys and girls at the parish. The girls' high school continued this use until the late 1960s; the boys high school, however was closed following the completion of the Oakland Central Catholic High School in 1931. The convent was vacant until the mid-1980's when it was converted into a half-way house for troubled juveniles. All the St. John, the Baptist facilities were finally closed in 1993, and its remaining parishioners began to attend the newly formed Our Lady of the Angels parish. (Laurenceville Historical Society, 1993). This marked the first time that the Diocese of Pittsburgh sold one of its churches to a developer (Angeles, 2008).

B. Demographic and Economic Trends in Census Tract 603

| Census Tract 603 (Lawrenceville) | 1990 | 2000 | 2010 | Change From 1990-2000 | Change From 2000-2010 | Change From 1990-2010 |
|---|-------|-------|-------|-----------------------|-----------------------|-----------------------|
| Total Population | 1359 | 2585 | 2341 | 90.21% | -9.4% | 72.3% |
| Total Units (Residential) | 741 | 1448 | 1365 | 95.41% | -5.7% | 84.2% |
| Vacancy in All Residential Units | 14.4% | 13.5% | 16.2% | -6.3% | 19.6% | 12.1% |
| Median Household Income (Adjusted to \$2010) | 27843 | 26893 | 26056 | -3.4% | -3.1% | -6.4% |
| Median Value of Owner Occupied House (Adjusted to \$2010) | 37705 | 46853 | 83200 | 24.3% | 77.6% | 120.7% |
| Median Gross Rent (Adjusted to \$2010) | 450 | 550 | 712 | 22.2% | 29.5% | 58.2% |
| Poverty Rate | 21.5% | 23.0% | 40.7% | 7.0% | 77.0% | 89.3% |
| Unemployment Rate | 6.3% | 3.6% | 4.5% | -42.9% | 25.0% | -28.6% |

Retrieved from U.S. Census Bureau

Population and Vacancy

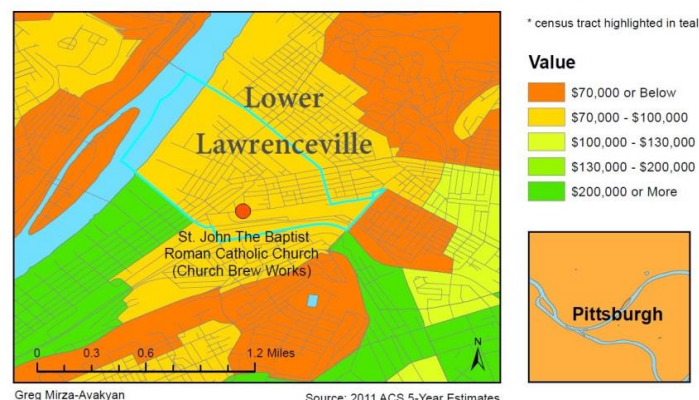
The population in this census tract 603 has increased drastically in the last two decades, from 1359 in 1990 to 2585 in 2000, to 2341 in 2010, for an overall increase of 72.3%. The number of residential units has seen an even bigger increase in the same time frame. There were only 741 residential units in 1990. In 2000 there were 1448, though that number shrank to 1365 in 2010. From 1990 to 2010 the number of units grew by 84.2%. Vacancy rates have remained relatively stable. 16.2% of units are vacant in 2010. In 1990 14.4% were vacant. In 2010 there were about 2.09 people per household, and in 1990 that

number was roughly the same, at 2.14 per unit. Taking the change in tract boundaries into account, it would seem that the neighborhood's make-up has not changed drastically.

Home Sales and Values

82 homes were sold in Census Tract 603 in 2006. In comparison, 45 homes were sold in 2011. The decline in the number of sales could be the result of the economic downturn of the late 2000's, but could also be related to the sharp increase in the property values in the tract. The Median Value of Owner Occupied House, adjusted to 2010 has increased by 77% from 2000 to 2010, from \$46,853 to \$83,200.

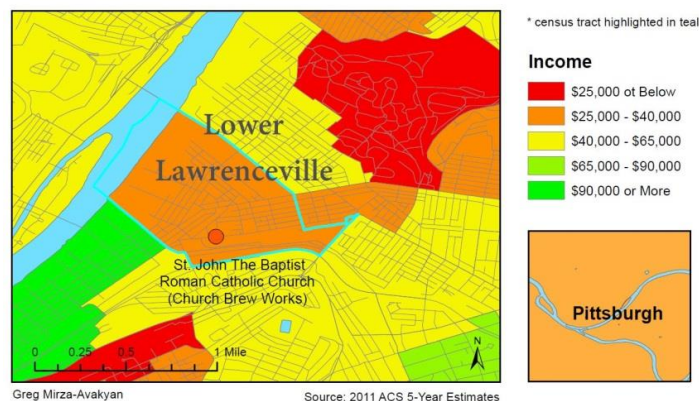
2010 Median Value for Owner-Occupied Households



Income and Rent

The Median Household Income in was \$27,843 in 1990, and dropped slightly to \$26,893 in 2000, and declined further by another 3.1% in 2010, with the number standing at \$26,056. The rent, however, increased 2000 to 2010 from \$550 to \$712, which is a 29.5 increase. If Gross Median Rent in 2000 was about 25% of the Median Household Income for the tract, in 2010 it made up 32.8% of the income.

2010 Median Household Income



Poverty, Unemployment, and Foreclosure

The Foreclosure score for this neighborhood is high, at 8 points. Census Tract 603 has a very high poverty rate as of 2010, at 40.7%. This is an 89.3% increase from 1990, when the poverty rate was 21.5%, and a 77% increase from 2000, when it was 23%. Unemployment, however, is low at only 4.5% in 2010, only a slight increase of .9% in comparison to 3.6% in 2000. With such low unemployment, but such a high poverty rate, it could seem surprising that the local population earning so little. Upon further

investigation the reasons become clearer: according to ACS 2011, the median age in the neighborhood is 32.7 years, and about 37.4% of the population is enrolled in college or graduate school. So, if the population of the tract and the rent is rising, while poverty is increasing and new units continue to be sold, one could deduce that neighborhood is increasingly dominated by students and young families. This is an important consideration when determining the best use for vacant structures, if they are to be successful. One must answer the question, what kind of population are you serving?

Other Indicators

Census Tract 603 qualifies for every type of Government Program aimed at revitalizing neighborhoods. It is eligible for CDBG Grants, is a CDFI Program Investment Area, and thus, eligible for New Market Tax Credits; It is eligible for Low-Income Housing Tax Credits and Section 108 loans through HUD.

C. Special Features of the Area

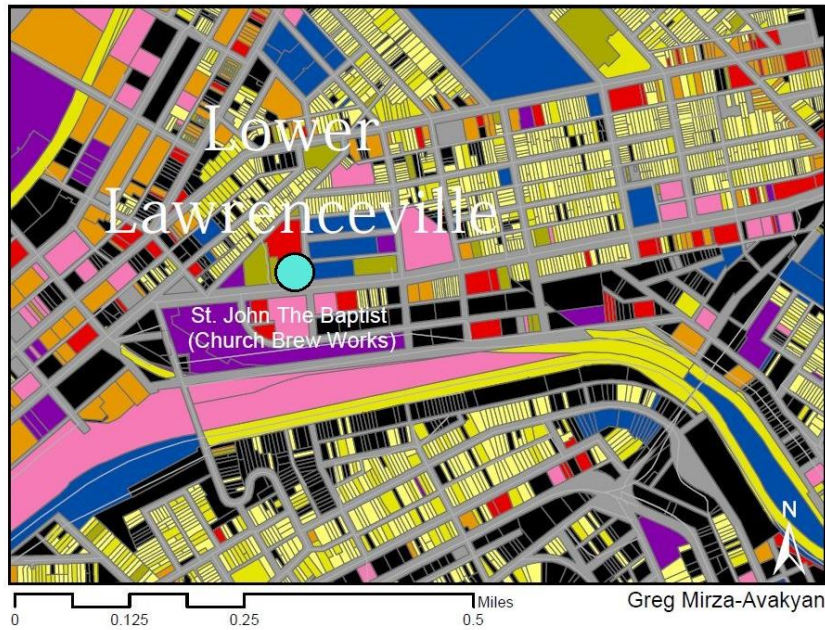
The Church is located in Census Tract 603 of Allegheny County in a UI (Urban Industrial) zoned lot. It lies at the southern tip of Lawrenceville, just North-East of the Strip District, which is almost entirely industrial. In fact, Census Tract 603 roughly corresponds to the sub-neighborhood of Lower Lawrenceville. The Church is in a high-traffic area, on the border between the Bloomfield,



A satellite view of the neighborhood. Source: Google Aerial Imagery

Strip, and Lower Lawrenceville neighborhoods. Because the Census Tract boundaries have been modified from 1990 to 2000, the 1990 figures are not so telling. The 2000/2010 Census Tract 603 used to be composed of Census Tracts 603 and 604 in prior to the 2010 census.

By the late 1950s, as the steel mills closed, Lower Lawrenceville, much like Pittsburgh as a whole, declined in population and prosperity. The population continued to decline until 2011(Casey, 2013). Today Census Tract 603 in Lower Lawrenceville is dominated by modest single-family homes and industrial uses. There are some vacant lots, as can be observed on the Land Use Map, but they are primarily in the industrial sections of the neighborhood.



Source: City of Pittsburgh Planning Department
GIS Data Download Page

Land Use

- Single Family Residential
- Multi Family (Walk-Up)
- Multi Family (Elevator)
- Mixed-Use
- Commercial / Office
- Industrial / Manufacturing
- Open Space / Parks
- Public Facilities / Institutions
- Transportation / Utility
- Parking Facilities
- Vacant Land

Land Use in Lower Lawrenceville in 2010

D. Project Development

The Church was the first church sold by the Diocese of Pittsburgh to developers. It was sold in 1993 for \$191,200. The Diocese, according to owner and manager Sean Casey, played a small role in the reuse of the church, working with Mr. Casey through a real estate firm, but the parish was more involved throughout the development and was supportive of the project. Some were less supportive, however. “People from closed parishes can be frustrated and fight to keep their church open, so that is a big hindrance. The longer the church stays idle, the more the old parishioners accept the closure,” Mr. Casey said. Initially there was very little involvement from local preservation bodies. However, a local neighborhood group and a city councilman were involved in changing the zoning for the building, since a use as a restaurant and brewery would fall within a non-conforming use in a non-conforming structure. The neighborhood as a whole was supportive of the project.

Though the neighborhood was not ideal for walkup business and was at the time dominated by elderly residents. The church, being relatively isolated from residential areas, as can be seen on the land-use map, was an “island in the sea,” as Mr. Casey put it. Being on an accessible road was ultimately a big factor in purchasing the property. It should be noted that because Mr. Casey acted as the general

contractor, the costs of reuse the church were kept low. There were no preservation incentives used of any kind.

Mr. Casey said that to convert most churches to any kind of housing is expensive and unlikely, as most churches have lead based paint and asbestos tile. He also said that when most churches close they don't put preventative maintenance into them, resulting in accelerated damage from roof leak and temperature fluctuations. He believes that the best uses would be as a community center or a performance venue. A restaurant and brewery conversion, however, is more complicated, as it requires high electric loads, exhaust for kitchens, grease fans, as well as multiple bathroom facilities. Such a conversion is much more challenging than building from scratch.

Church Brew Works Opened in 1996. Since its opening, the restaurant has improved safety by attracting pedestrian traffic and lighting, and the neighborhood's reputation began to improve. Mr. Casey believes the values around Church Brew works have increased as people continue to "visit the area and see positive versus negatives of our community."

When the Church Brew Works first opened there was dismay in some quarters of the Pittsburgh Catholic Diocese. In the October 1, 2005 issue of the *Pittsburgh Post-Gazette* Patricia Lowry wrote in the new partnership between the Pittsburgh History and Landmarks Foundation and the Diocese, which is aimed at encouraging more sensitive reuse of religious buildings. Under the agreement, Landmarks has the opportunity to purchase a building, whether it be a church, a rectory, a convent, or a school from a church when it is no longer needed. Before the church was sold and became Church Brew Works, all sacred items were removed.

What helped the adaptive reuse?

- The land was inexpensive.
- The church was not landmarked at the time of adaptive reuse.
- The building is located on a major road with high auto traffic.

What could have made the reuse unsuccessful?

- The neighborhood was relatively poor.
- The church is relatively isolated from residential areas.

3.6 CASE STUDY # 6

Union Project in Highland Park, Pittsburgh



Views of the former Second Presbyterian Church of Pittsburgh (Source: Union Project)

v



Left: Ceramics classes for children at the Union Project; Right: Interior of the church (Source: Union Project)

A. The Church

Built in 1903, the church had been home to a number of congregations until it was abandoned in the mid 1990's. Unfortunately, little information exists about the history of the building. The Church was included in Young Preservationists Association (YPA) of Pittsburgh 2004 Top Ten list. Dan Holland, YPA CEO was quoted in PopCity media: "An old church has been restored, it's reused, it's constantly busy for events and activities. It's really an ideal example of the kind of work we try to highlight with our organization" (PopCity, 2012). In 2005 Union Project received YPA's Promise Award (Moore, 2012).

B. Demographic and Economic trends in Census Tract 1102

| Census Tract 1102 (Highland Park) | 1990 | 2000 | 2010 | Change From 1990-2000 | Change From 2000-2010 | Change From 1990-2010 |
|---|--------|--------|--------|-----------------------|-----------------------|-----------------------|
| Total Population | 3068 | 4233 | 3971 | 37.97% | -6.2% | 29.4% |
| Total Units (Residential) | 1603 | 2247 | 2284 | 40.17% | 1.6% | 42.5% |
| Vacancy in All Residential Units | 11.2% | 8.6% | 15.8% | -23.1% | 84.0% | 41.5% |
| Median Household Income (Adjusted to \$2010) | 46996 | 45250 | 64325 | -3.7% | 42.2% | 36.9% |
| Median Value of Owner Occupied House (Adjusted to \$2010) | 102605 | 112447 | 158800 | 9.6% | 41.2% | 54.8% |
| Median Gross Rent (Adjusted to \$2010) | 726 | 717 | 791 | -1.2% | 10.3% | 9.0% |
| Poverty Rate | 11.8% | 11.2% | 6.3% | -5.1% | -43.8% | -46.6% |
| Unemployment Rate | 7.0% | 5.0% | 2.6% | -28.6% | -48.0% | -62.9% |

Retrieved from U.S. Census Bureau

Population and Vacancy

Like many tracts in Pittsburgh, Census Tract 1102's borders were redrawn for the 2000 Census, as Census Tracts 1111 and 1102 were combined since the 1990 Census. Keeping this in mind, it is more practical to compare population trends from 2000 to 2010. In this decade the population of the tract decreased by 262 people to 3971, a 6.2% decrease. In the same period, 37 new units were added to the neighborhood. Naturally, the vacancy increased from 8.6% in 2000 to 15.8% in 2010.

Home Sales and Values

There were 71 homes sold in 2006 and 49 sold in 2011. From 1990 to 2010 the Median Value of Owner Occupied House increased by 54.8%, to \$158,000 from \$102,605. Even though this neighborhood's home values are high, the map shows that in some surrounding areas the values are far lower.

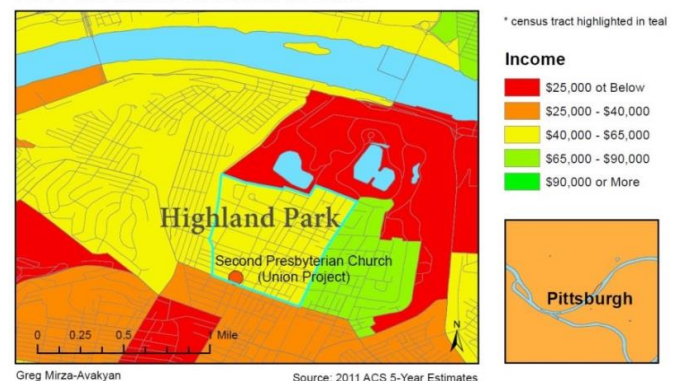
2010 Median Value for Owner-Occupied Households



Income and Rent

Census Tract 1102 saw a dramatic increase of 42.2% in Median Household Income from 2000-2010, after a 3.7% drop from 1990 to 2000. In 2010 income stood at \$64,325, up from \$45,250 in 2000. While this increase does not amount to the increase in property values, it approaches

2010 Median Household Income



that number. Median Gross Rent increased only slightly from 1990 to 2010. In 1990 it was \$726, and in 2010 it was \$791, which represents a 9% increase.

Poverty, Unemployment, and Foreclosure

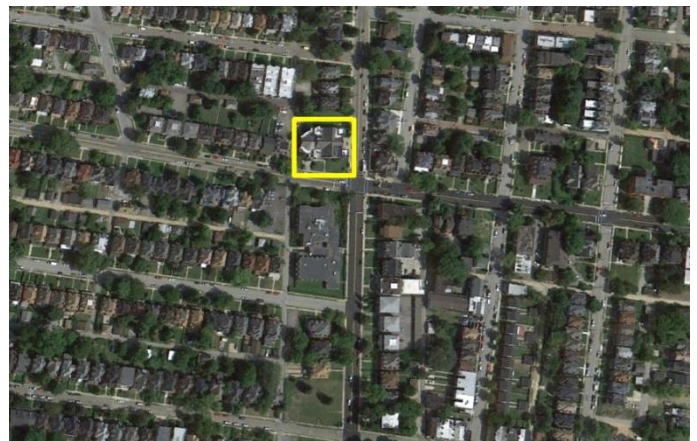
Unemployment in the tract has been declining for two decades. In 1990 the rate was 7%. In 2000 it was 5%, and in 2010 it had decreased to a mere 2.6%. The Percentage of Families Living in Poverty has also decreased since 1990 from 11.8% to 6.3%. The foreclosure risk was low, at 4 of 20 possible points.

Other Indicators

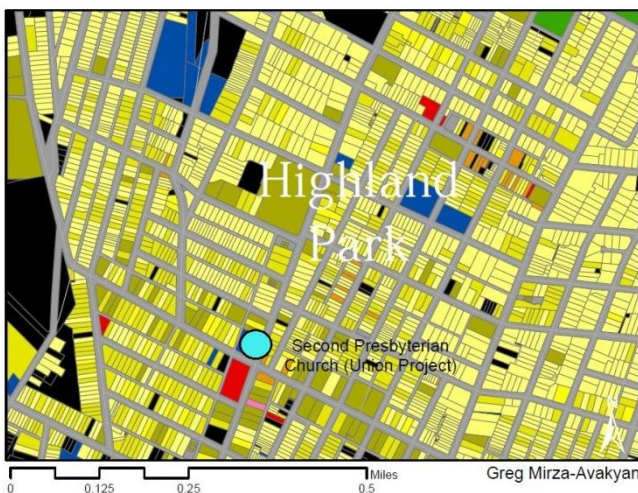
Highland Park is economically stable, and does not qualify for any Federal revitalization incentives.

C. Special Features of the Area

The Church is in a RM-M (Residential Multi-Use Moderate Density) Zone. It lies in the middle of a moderate-density residential district. For Pittsburgh standards, there are relatively few vacant parcels in the neighborhood, which is a positive sign that the community is not eager to leave the neighborhood.



A satellite view of the neighborhood. Source: Google Aerial Imagery



Land use in Highland Park in 2010

Source: City of Pittsburgh Planning Department
GIS Data Download Page

Land Use

- Single Family Residential
- Multi Family (Walk-Up)
- Multi Family (Elevator)
- Mixed-Use
- Commercial / Office
- Industrial / Manufacturing
- Open Space / Parks
- Public Facilities / Institutions
- Transportation / Utility
- Parking Facilities
- Vacant Land

D. About Union Project

Union Project, housed in the former Second United Presbyterian Church is a unique example of an adaptive reuse project that culminated in the most quintessential example of community and cultural uses. The success of this conversion points to the creative approach that has allowed Union Project to preserve the church. Unlike New York City, where the forces of the real-estate market and the insatiable demand for housing often dictate the outcomes of adaptive reuse projects, Pittsburgh presents this unique case study where tremendous effort was made to create something so unlikely. An interview with the program director, Jeffrey Dorsey revealed the reasons why Union Project has become such a well-known and respected organization. He called Union Project a “community experiment” with a mission to bridge neighborhoods, provide skills for underserved communities, and create a reason for Pittsburgh’s youth to stay in Pittsburgh. Population decline has been a huge problem in Pittsburgh for decades, as the young people were leaving in droves. 2012 marked the first year that Pittsburgh’s population stopped decreasing, and 2013 was the first year that there was a small increase (Dorsey, 2013).

Through the years Union Project has engaged in an immense variety of activities, from restoring every stained glass window in the church, with 1,300 volunteers and \$1.5 million worth of labor, to organized classes for artisanal ceramics, to running a café, to initiating the Youth Barista Program, which provided foster care youth the skills they could use in the food services industry. More recently Union Project began renting space to various advocacy groups and artisans. The skills that volunteers attained while working in Union Project have enabled many to fix up their own homes, and to make a profit from ceramic creations. Many of the young volunteers involved in the Union Project were from foster homes, and bringing them into community participation was an enormous accomplishment, according to Mr. Dorsey. Through the years Union Project has also organized events like the Martin Luther King Jr. Day, a Youth Talent Showcase, Barbeque and Beats, Tuesday Stew (a music and food showcase), Monday night Conversation Series (an open forum on neighborhood issue), Upwords (a reading series), and other events. (Union Project, 2013).

E. Project Development

The church was located a half-block from a voluntary service program called Pittsburgh Urban Leadership Experience (PULSE). PULSE is a Mennonite organization and is dedicated to supporting

causes that embody Mennonite values like peace, justice, social enterprise, and conflict resolution. PULSE started off as a project that brought rent college graduate Mennonites from central and eastern Pennsylvania to Pittsburgh to experience the urban environment. The young people were placed in various non-profits across Pittsburgh, and about 75% of them have stayed in Pittsburgh since the inception of the program, many of them settling in the immediate neighborhood around the boarding house where they were originally placed. Union Project was, in a sense, a manifestation of the Mennonite tradition of barn-raising, according to Mr. Dorsey. The founders asked themselves, if it can be done at home, can it be done here (in Pittsburgh), with young people? Two of the founding members of Union Project were graduates of the PULSE program.

Mr. Dorsey believes that a major part of why Union Project was able to come together is timing. In the early 2000's the focus of community organizing was place-based development, organized by "creative communities, creative workers, and artists that brought value to the local economy." The vast majority of the people involved in the Union Project were in their 20s and 30s.

Location was also instrumental in making Union Project successful. Mr. Dorsey believes that straddling two very diverse neighborhoods – one primarily affluent, homeowner dominated – and the other low-income, and minority renter-dominated with fewer amenities helped to spark interest in the community. The creation and the eventual success had "everything to do with location – the fact that this [project] sat at the crossroads of communities made it ripe to be an experiment. The building would come to symbolize community building, with over 50,000 volunteer hours since the project started.

Another big reason why something like the Union Project was successful particularly in Pittsburgh is the history of the city, Mr. Dorsey said. When Pittsburgh was an industrial powerhouse many of the industry tycoons created foundations, many of which still exist today. These foundations still support entities like Union Project which are trying to "bridge neighborhood gaps." Many churches cannot be reused for commercial purposes, he explained, because developers cannot figure out a model that works. It takes the whole neighborhood to be engaged.

Of course, Union Project could not have happened without financial help from outside. The Pittsburgh Leadership Foundation, an affiliate of PULSE purchased the building in 2001 for \$125,000 and provided startup funds for Union Project. The Eastern Mennonite Missions took on the mortgage and gave Union Project a lower rate than a typical bank. In addition, the Mennonite Economic Development Associates gave Union Project a small grant to incubate. Union Project also received funds from the

Community Design Center of Pittsburgh to restore the building after hosting the premiering three weeks of Bricolage Theater Company's "Wild Signs." By the 5th year Union Project had gotten about \$2 million of investment from local foundations. This help allowed office space to be built, which would be rented out to tenants and thus generate much-needed revenue. In 2005 the Pittsburgh Historic Landmarks Foundation provided Union Project with a loan to make possible the buy-out of the building.

To solidify its footing in the community, and to become self-sustaining, Union Project began to explore ways to turn a higher profit through space rental. Sometime in the last few years Mr. Dorsey and others in the organization increased the amount of space to rent out to other foundations, and began to charge for some of their classes. In 2012 they developed a business plan which would set a goal of getting 65% of their budget from revenue through various programs.

What helped the adaptive reuse of this church?

- Variety of like-minded partners.
- Foundation money and grants.
- Community participation and support.
- The church was not landmarked and new use was consistent with zoning.
- The project emerged at a time when there was a lot of support for community building.
- The church did not need major structural repairs, though the cost of repair was originally estimated upward a million dollars.

What could have made the reuse unsuccessful?

- Inability to secure loans.
- Inability to pay off mortgage due to lack of revenue.
- The shift of foundation donations to other type of non-profit entities.

PART 4: MAKING SENSE OF THE DATA

4.1 EVALUATION METHOD

The matrix chart developed to estimate the likeliness of the church to be converted considers the economic features of the census tract, the advantages of the church building's specific features, the costs associated with its redevelopment, and various outside funding opportunities. Because no one type of feature group can be effectively evaluated as more important than the other, the scores for each group are broken down into individual features. Each feature is given either one (-) point, two (--) points, one (+) point, two (++) points, or three (+++) points, depending on the magnitude of the feature's effect on the likeliness of adaptive reuse for the church building. Unfortunately it is impossible to quantify the exact magnitude of each feature, so for purposes of the study, I derived the magnitude from the information gathered from interviews, and conclusions drawn from demographic analysis. I have defined these effects to be *negative* (- -), *slightly negative* (-), *slightly positive* (+), *positive* (++) , and *very positive* (+++).

4.2 POINT SYSTEM EXPLAINED:

A. Census Tract Economic Features:

Low Income (Median Household Income in 2010 below \$40 thousand) – (-) slightly negative

Because lower incomes generally mean diminished purchasing power, poorer physical conditions and upkeep of the neighborhood, and a lower overall desirability of the neighborhood, they generally work against the ability of a church to be reused. Based on anecdotal information from interviews, it appears that those churches in poorer neighborhoods receive less attention from the development community. In addition, low income neighborhoods are less likely to be concerned with saving historic landmarks than getting basic services.

High Income (Median Household Income in 2010 above \$75 thousand) – (++) positive

Church buildings in affluent neighborhoods tend to receive more attention from the development community, and its owners are likely to have more capital to invest. In addition, residents in affluent neighborhoods are more likely to be concerned about vacant/disused properties because they can diminish their property values and create blight.

Increasing Property Values – (+) slightly positive

Increasing property values increase the desirability of the neighborhood, bringing the discussion of historic buildings to the fore. They can also lure developers to use every possible opportunity to turn a profit, because the desirability of the neighborhood is growing.

Population Growth (1990-2010) – (+) slightly positive

Population growth can mean the need for new housing, the need for more community spaces, such as performance venues, senior centers, art galleries, or restaurants. The more dense an area is, the more likely it is that most of land is eventually put to “highest and best use,” ensuring that no building sits vacant. This can lead to increased attention to existing buildings that are no longer used.

Increasing Home Sales (2006 and 2011) - (++) positive

Sales can indicate that the neighborhood is going through revitalization, showcased by increased demand for housing. Like population growth, home sales create pressure to use every available parcel of land in the neighborhood. The effect, though, is stronger because home sales can indicate that homeownership in the neighborhood is becoming more prevalent (as opposed to rentals), and thus the community is more affluent and more invested in the future of the neighborhood.

Increase in Median Gross Rent (1990-2010) – (+) positive

Rising rent prices point to an increasing marketability and desirability of a neighborhood. As with increased property values, with rents being high tenants are more likely to be concerned with the condition of the buildings, and want to see them occupied.

Increase in Median Household Income in (1990-2010) – (+) positive

When residents become more affluent, they tend to be more concerned with the image of their neighborhood because they want to keep property values high and increase the quality and quantity of amenities. Affluent neighborhoods generally have a high level of civic participation and few derelict properties.

Poverty Rate above 15% in 2010 – (+) slightly positive.

Usually high poverty rates in a neighborhood or a community is not desired by anyone, but, as evidenced by the work of Community Development Corporations, poor residents are a reason for affordable housing creation, which can drive projects such as the Loreto Apartments in Brownsville. Poverty Rates should not be confused with Low-Income neighborhoods – Greenpoint, for example, had a Median Household Income of \$62,260 in 2010, while its poverty rate stood at 15.2%.

Unemployment Rate above 10% - (-) slightly negative.

Although unemployment is not a problem in any of the case studies discussed, it can generally be a driver for people leaving the neighborhood behind to seek better fortunes elsewhere. This was the case in Pittsburgh for over five decades, during which many church properties became disused and fell into disrepair.

Increase in Number of Residential Units – (+) slightly positive.

An upsurge in number of units is a sign of increased interest in the neighborhood by developers. It can signify improvements to the neighborhood’s amenities, improve the profile of the neighborhood and increase its affluence, which can lead to the adaptive reuse of buildings.

Residential Vacancy Above 15% in 2010 – (-) slightly negative

Vacancy can mean that the neighborhood is losing population, or that it has gained units that are unaffordable and are not selling. This can decrease the chances of a vacant historic church to get noticed and reused as the focus shifts towards making use of properties that are already fit for residential or commercial use.

Foreclosure Risk Score above 5 Points out of 20 (Housing and Urban Development Study, 2009) – (-) slightly negative.

The risk of foreclosure creates uncertainties for entities to engage in investments such as the adaptive reuse of historic properties. Where foreclosure risk is high, both tenants and owners may be more likely to be weary of devoting time, effort, and capital to reuse historic buildings. Banks and other financial institutions are less likely to lend to tenants in areas with high foreclosure risk.

B. Site-Specific Features:

Multiple Buildings / Parcels – (+++) very positive.

The availability of several buildings of parcels adjacent to the historic church can play an instrumental part in the success of an adaptive reuse project. The Former Our Lady of Loreto church only has a chance to be adapted thanks to the various buildings which it owned, such as the school and the rectory. Adjacent parcels can be developed into market-rate housing by the owner, or sold to a developer. This model presents an economically sustainable model to make adaptive reuse of the main church building a possibility.

Local Landmark Designation (++) positive.

The effect of local designation can be a big one – locally designated landmarks in New York City, for example, are less likely to be demolished because any modification to such buildings must be approved by the Landmarks Preservation Commission. In addition, local landmarks are likely to be supported by the preservation community and neighborhood groups because of its inherited and perceived value.

The need for rezoning or a Zoning Variance – (-) slightly negative.

The need to rezone the parcel or to get a variance for non-conforming use can be detrimental to the prospects of adaptive reuse because while it isn't usually too difficult to get an approval, the process is lengthy and there are some costs involved. If a developer must rezone the property, he or she could lose months of valuable time before the variance is approved so they can begin construction and renovations.

Eligibility for listing on the National Register of Historic Places – (+) slightly positive.

When the property is eligible for listing it receives some protection from possible demolition under Section 106 of the National Historic Preservation Act, which requires Federal Agencies to allow the Advisory Council on Historic Preservation an opportunity to comment on projects affecting historic properties. While it does not guarantee the preservation of a church building, it could prolong the time during which an adaptive reuse project could be proposed. Furthermore, eligibility for listing on the Register could encourage the involvement of local historic preservation groups in the development process of the church, as it has with the former Our Lady of Loreto church.

Listing on the National Register of Historic Places – (+) slightly positive.

A listing on the National Register of Historic Places could potentially be a huge advantage for adaptive reuse, because of the increasing property value, as well as opportunities for various tax incentives. However, it only gets one (+) because any project on the Register must meet the Secretary of Interior's Standards for Rehabilitation if any changes are proposed to its appearance or use.

Eligibility for Historic Preservation Tax Credits – (++) positive.

The Federal 20% preservation tax credits, especially together with the state historic preservation tax credits can provide a huge incentive for the renovation and adaptive reuse of religious properties. Because these tax credits only apply to income-producing properties on the National Register of Historic Places, the tax incentive would not make an impact on a reuse of a church by a non-profit organization.

Eligibility for Low-Income Housing Tax Credits – (++) positive.

These Tax Credits, the eligibility for which is determined by the United States Department of Housing and Urban Development, can help projects like the former Our Lady of Loreto build affordable housing on the vacant parcels surrounding the church, or to replace auxiliary buildings with housing, while leaving the church intact.

Historic Preservation Easements, Deed Restrictions, and Covenants – (- -) negative.

These limitations of future use and modifications to the interior and sometimes even the exterior of historic properties can eliminate any possibility of a church to be adaptively reused, although they can go a long way in preserving a building in its current use and appearance. None of the churches in this study are affected by these limitations.

Proximity to commercial street or high-traffic main road – (+) slightly positive.

High visibility, access to amenities and transportation, and heavy foot traffic can make the difference between a successful and unsuccessful outcome of an adaptive reuse project. Relative isolation of an adaptive reuse project renders commercial use pointless. Residential use is also less likely because people want to live near amenities.

Location in a mostly residential area – (+) slightly positive.

Like proximity to a commercial street, the location of the church in a residential area is conducive for adaptive reuse because the church can be incorporated into the residential fabric of the neighborhood and serve for dwelling purposes, or serve the function of a community with easy access to the neighborhood. Union Project has been tremendously successful, according to executive director Jeffrey Dorsey, in part because of its location at the heart of a tightly-knit residential community.

C. Initial Costs:**Deferred Maintenance Costs below \$1 million – (+++) very positive.**

Every one of the case studies has been affected by deferred maintenance costs. This hurdle is one of the biggest obstacles in the adaptive reuse of historic churches, which are often characterized by disrepair long before they finally close their doors due to dwindling attendance. These costs are in some cases prohibitively expensive, making the adaption of the church highly unlikely because even with various incentives such as tax credits and grants, a typical vacant church in Brooklyn is likely to have \$2-4 million dollars in deferred maintenance cost (Scarano, 2013). If the costs are below \$1 million, which is rare, a church has a much higher likelihood of being adapted to new use.

Initial Cost of Purchase below \$1 million – (+++) very positive.

A low cost, as in the case of the former Our Lady of Loreto church (which could be leased for 53 years), could be one of the biggest incentives to save historic church properties. This is especially true in cities like Pittsburgh, where property prices are lower and the market pressures for redevelopment are far below those in New York City.

Ability of owner to assume most of the cost for initial development of the church – (+++) very positive.

Church Brew Works, The Arches, and The Sanctuary Condos are all characterized by this feature. If the developer or the owner can fully finance the adaptive reuse of a historic church, essentially all problems are solved. Of course, no developer will invest millions in a project unless it generates a profit, so a community-use or a non-profit purpose for a church where the investor finances the entire project is highly unlikely.

D. Sources of Funding:

Sizable grants received from various foundations – (+++) very positive.

Adaptive reuse examples such as the Union Project would have likely not have happened had it not been for continued financing from charitable foundations. While this model is not sustainable long-term, it can provide start-up costs for those adaptive reuse projects with community development aspirations, and give them room to develop strategies for long-term, self-sustainable funding.

Support from Local Groups – (++) positive.

Bette Stoltz of South Brooklyn Local Development Corporation and Rich Mazur of the North Brooklyn Development Corporations stressed the importance of local groups in the preservation and reuse of historic buildings. Interest from local groups is usually what sparks the discussion about the value of the building to the community, and helps to bring in other actors who possess the means to save it.

Support by Preservation Groups and Organizations – (++) positive.

Preservation groups like the Pittsburgh Historic Landmarks Foundation and New York Landmarks Conservancy can provide grants, expertise, and build the human connections that are necessary because they have a vested interest in preserving historic structures. A building that has no support by preservation groups is at a huge disadvantage because it can be perceived as “not historic enough” to be saved and reused.

Support by Community Development Corporations and other CDFIs – (++) positive.

Where affordable housing, job creation, and economic development are possibilities, CDCs and other CDFIs can provide the financing to reuse a church building to serve those purposes. While this is still not common practice, the potential within it is great.

Association or Funding by a denomination’s real estate development arm – (++) positive.

Organizations like the Catholic Charities Progress of Peoples Development Corporation and the Mennonite Economic Development Associates have brought together community development and real estate development. This has given churches that have little chance of being redeveloped a second chance.

Community Development Financial Institutions (CDFI) Investment Areas - (+) positive.

The U.S. Treasury seeks to provide financing to Community Development Financial Institutions by incentivizing investment capital from individuals and businesses, with a final goal of stimulating local economic development in eligible census tracts. This is done through the New Markets Tax Credit Program. This incentive strengthens local CDCs and can provide funding for the adaptive reuse of historic churches, among other things, provided the new use results in local economic development.

4.3 COMPARATIVE MATRIX CHART

| | | New York City | | | | Pittsburgh | |
|---|--------------|---------------|---------------|------------------|---------------|------------|---------------|
| | | The Arches | The Sanctuary | St. Elias Church | Loreto Church | Brew Works | Union Project |
| Census Tract Economic Features | Rules | | | | | | |
| Low-Income? (<40k) | - if yes | | | | | - | |
| High-Income? (>75k) | ++ if yes | ++ | ++ | | | | |
| Property Values Increasing? | + if yes | + | + | + | + | + | + |
| Population Growing (1990-2010)? | + if yes | + | + | + | + | + | + |
| Home Sales Increasing (2006 vs. 2011)? | ++ if yes | | | ++ | | | |
| Median Rent Increasing? | + if yes | + | + | + | + | + | + |
| Median HH Income Increasing? | + if yes | + | + | + | + | | + |
| Poverty Above 15%? | - if yes | | | + | + | + | |
| Unemployment above 10%? | - if yes | | | | | | |
| Increase in # of Residential Units? | + if yes | + | + | + | + | + | + |
| Vacancy > 15% in 2010? | - if yes | - | | - | - | - | - |
| Foreclosure risk > 5 points (2008)? | - if yes | | | | - | - | |
| Site-Specific Features | | | | | | | |
| Multiple buildings / Parcels? | +++ if yes | +++ | +++ | +++ | +++ | +++ | |
| Locally Landmarked? | ++ if yes | ++ | ++ | ++ | | + | |
| Needed Zoning Variance? | - if yes | | | | | - | |
| Eligible for NRHP? | + if yes | + | + | + | + | + | + |
| Listed on NRHP? | + if yes | + | + | + | | | |
| Eligible for Preservation Tax Credits? | ++ if yes | ++ | ++ | ++ | | | |
| Eligible for Low-Income Housing Tax Credits? | ++ if yes | | | | ++ | ++ | |
| Easements / Covenants / Deed Restrictions? | -- if yes | | | | | | |
| Close to main/commercial street or road? (2 blocks) | + if yes | | | + | + | + | + |
| Located in mostly residential area? (adjacent uses) | + if yes | + | + | + | + | | + |
| Initial Costs | | | | | | | |
| Deferred Maintenance Costs < \$1 Mil. | +++ if yes | | | +++ | | +++ | +++ |
| Initial Cost of Purchase < \$1 Mil. | +++ if yes | | | | | +++ | +++ |
| Can the owner assume the initial cost? | +++ if yes | +++ | +++ | | | +++ | |
| Sources of Funding | | | | | | | |
| Received Sizable Grants / Foundation \$? | +++ if yes | | | | | | +++ |
| Supported by Local Groups? | ++ if yes | ++ | ++ | | ++ | | ++ |
| Supported by Preservation Groups? | ++ if yes | ++ | ++ | | ++ | ++ | |
| Supported by CDCs? | ++ if yes | | | | ++ | | |
| Linked to Religious Developer? | ++ if yes | | | | ++ | | ++ |
| CDFI Investment Area? | + if yes | | + | + | + | + | |
| Total Points | | 23 | 25 | 21 | 20 | 20 | 21 |

4.4 DISCUSSION OF SCORES

This comparative exercise seeks to evaluate the likelihood of each church to be adapted to new uses by attempting to standardize the criteria for grading. I have attempted to evaluate each project by the conditions at the time of redevelopment.

The former St. Peter Church, now known as the Arches, received a score of 23. The ultimate success of this project was ensured by the strong economic features of the neighborhood, its historic prominence and the location in the Cobble Hill Historic District, and the support the project received from local groups, but the most important aspect was the ability of the developer to assume most of the financing for the project.

The same is true for the Sanctuary in Fort Greene, which received the highest score, 25 points. Though the neighborhood is slightly less affluent, the neighborhood's vacancy rate for residential units was below that of the Cobble Hill census tract where the Arches is located.

St. Elias Church in Greenpoint point received a score of 21. An advantage of this church is that it is in relatively good condition, due to its occasional use for private events since it ceased its function as a church. The census tract in which it has located has also seen the most dramatic increase of property prices and is also the only census tract in the study that saw an increase in home sales in 2011 over 2006. Adaptive reuse of the church has not occurred yet, but is likely once the community and the preservation community gets involved.

Our Lady of Loreto received 20 points. Being an outlier in Brooklyn due to its potential for community use, is at a disadvantage due to the fact that it is not landmarked. The costs associated with the renovation are also quite high, and the fact that the church is located in a lower-income neighborhood (by New York City standards) only make the prospect of its reuse as an income-producing property more unlikely. However, as the church continues to gain press and more actors are getting involved, the likelihood that it will be reused has increased. The community's involvement in the preservation of the church is its greatest strength.

Church Brew Works in Pittsburgh also received 20 points. Initially the conversion of the church made sense because it was located on a key intersection of three neighborhoods, and because the church contained great potential for profitable use due to the multiple adjacent properties that could also be used. At the time of the development, the church was not landmarked, which allowed the owner

to make significant modifications to the interior of the building. As with the condo conversions in Brooklyn, the most prominent advantage of this project was the developer's ability to assume the cost of conversion, especially since the deferred maintenance costs, and the original price of the property were relatively low.

Despite lacking landmark status, the inability of the owner to assume the cost of rehabilitation, and the lack of adjacent buildings that could be redeveloped, Union Project received 21 points. The greatest strength of this project was the support that it received from various foundations, which have helped it to come to fruition, and subsidized its activities until the enterprise became more self-sustained.

4.5 LIMITATIONS OF THE COMPARATIVE MATRIX MODEL

There can be a number of non-quantifiable and non-measurable reasons for a church to be reused, and therefore this model cannot fully explain, nor predict the outcomes of every church. For example, a developer might save a church that he or she attended as a child from being razed and redevelop it for sentimental reasons. Another example is if a church is located in the neighborhood of a powerful politician who has a particular affinity for that church, and uses his or her political leverage to make sure the church is saved. As Rich Mazur pointed out, publicity can make the difference between a church being razed and a church being saved. Despite this limitation, the model provides a good overview of the various advantages and disadvantages for each church's potential for reuse.

Another limitation of this model is that it compares three different types of church buildings: ones that have already been adapted, one that will most likely be adapted, and one that has not been adapted at all. The point is problematic in that it gives advantage in the form of additional (+) points to those churches that have already been adapted in the categories of "cost of purchase" and "owner assumes the initial cost," since we don't know how the yet unused churches will be reused.

PART 5: RECOMMENDATIONS & CONCLUSIONS

5.1 RECOMMENDATIONS FOR VACANT CHURCHES:

A. Recommendations for St. Elias Church in Greenpoint:

Certain recommendations can be made based on information drawn from interviews, demographic and economic analysis, and the comparative matrix model. The St. Elias church in Greenpoint is the only church among the case studies that remains untouched since its closure with no concrete plans for its adaptive reuse. The adaptive reuse of the church can be challenging, but the following recommendations can help its chances:

Recommendation A: Contact local neighborhood groups, the New York Landmarks Conservancy's Sacred Sites Program, and Local Community Development Corporations for support.

While these groups might not be able to invest directly in the rehabilitation of the property, they may provide expert advice on various grants and funding sources. Getting groups involved can go a long way in creating enthusiasm in the community, and could lead to finding the parties who could determine adequate uses for the property. It is also a good idea to consult various preservation groups on the steps that need to be taken to receive State and Federal Historic Rehabilitation Tax Credits.

Recommendation B: Perform a feasibility study to determine the estimated costs for various adaptive use outcomes, potential environmental impacts, as well as costs for rehabilitation consistent with the Secretary of Interior Standards.

Because the church is in a Historic District and is listed on the State and National Register of Historic Places, any modification to the building would require the developer to follow the Secretary of Interior Standards for rehabilitation. Performing a basic study of environmental impacts could also eliminate the need to perform a full-scale Environmental Impact analysis during the development process. These steps will save time and money, and help to expedite the development of the property.

Recommendation C: Look for funding sources in charitable and religious foundations.

Union Project in Pittsburgh is a good example to look to for an adaptive reuse project that has been successful in continually receiving contributions from local foundations, as well as various Mennonite Foundations around Pennsylvania. Foundations will often support causes that benefit the community and reflect their values, and thus an adaptive reuse project for St. Elias would have to involve a community-based component if the funding is to be received.

Recommendation D: Consider the detrimental effects of deterred maintenance costs.

In the case of Our Lady of Loreto church we have seen that high deterred maintenance costs can put the fate of the building on the line. The longer that a church stands vacant, the higher will be the costs of renovating it. The costs can reach a critical level at which neither renovation nor adaptive reuse could be viable options, and Church's structural integrity might be damaged beyond repair. It is a good idea to do an assessment of the damage to consider the options for reuse.

B. Additional recommendations for the adaptive reuse of historic of churches:

Recommendation E: Apply for the listing of the building on the National Register of Historic Places.

The listing will diminish the likelihood that the building can be demolished by requiring a Landmarks Preservation Commission approval for any alteration, renovation, or demolition of the building. The listing will make the church eligible to receive State and Federal Historic Preservation Tax Credits, and will increase awareness about the fate of the building in the community.

Recommendation F: Consider the best and most viable use for the church.

Uses can range from residential (market rate or affordable housing) to commercial (bookstore, concert venue, or banquet hall), to community space (senior center, art museum, or town hall meetings). In determining the best use it is vital to understand the needs of the community, and the ability of the neighborhood to absorb the new use. To accomplish this, an owner should approach this inquiry for multiple perspectives. A demographic and economic analysis, similar to the one used in this study, can be demonstrative of a need for affordable housing, variety in income levels, and the neighborhood's ability to afford the services of the proposed new use for the building. Another approach should be to engage various community actors and leaders. A conversation with the local

Chamber of Commerce, Community Development Corporation, or advocacy leaders could reveal more than any numbers ever could. After determining the types of uses that would succeed in the community, the owner should estimate the costs of rehabilitation and reconstruction. These costs should include the costs of permitting, installing or changing infrastructure, hiring construction crews, purchasing materials, and repairing the façade.

Recommendation G: Seek funding from Federal and State Programs.

If one aims to convert the church to income-producing uses, the Federal Historic Preservation Tax Credit will provide 20% tax credit, which can be combined with the State Preservation Tax credits. The State credits range from 10 to 50 percent depending on the state, and does not necessitate the conversion to income-producing uses. If the church is converted to housing, a property owner can apply for the 9% Low-Income Housing Tax Credits. When converting a church to commercial use, owners can receive New Market Tax Credits which can return 39% of the original investment amount over 7 years.

Other sources of funding include Community Development Block Grant and investment funds from the National Trust for Historic Preservation. The Presbyterian church in Downtown Nyack's conversion to a community center discussed in this thesis had received \$470,000 in CDBG money. This funding provided the bulk of what was needed rehabilitate the church and to convert it to its present use. The National Trust for Historic Preservation's National Trust Community Investment Corporation (NTCIC) makes equity investments in projects that qualify for Historic Rehabilitation, Low-Income Housing, and New Markets Tax Credits. Since 2000 NTCIC has invested more than \$575 million in equity and debt towards rehabilitating historic structures (NTCIC, 2013).

Recommendation H: Involve the community in the development of the new use.

Whether it is an open house or information meetings, involving the local community can help tremendously in the success of the new use. The commitment of the community to the success of the new use, provided that the use will benefit the community, can be manifested in regular attendance, monetary contributions, and the exertion of pressure on local and state politicians for support. A supportive community will who up for the Landmarks Preservation Commission hearings, Community Board forums, and City Planning Commission meetings.

5.2 LIMITATIONS OF THE STUDY

There is no national database on religious properties, which made it difficult to find historical background on many of the case studies. While the actors involved in the adaptive reuse of churches have provided me with background on the development of each project, many of the figures were unavailable.

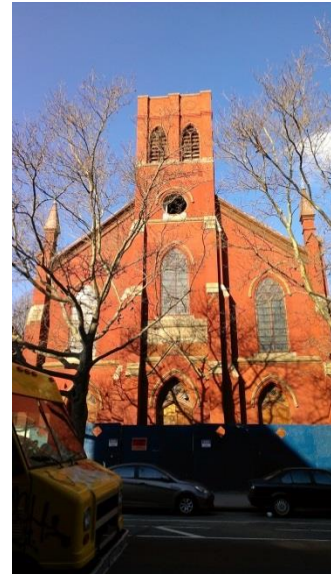
Furthermore, one of the original case studies had to be left out because the developers and owners of the church were not available to interview. The church I am referring to is the St. Peter Evangelical Lutheran Church. A 2007 archaeological report commissioned by the Lutheran Social Services of New York, and prepared by AKRF identified the cultural resource services for a proposed development, which would include affordable housing for seniors (Dallal, Meade, 2007). However, the church has since been sold for \$2.2 million to Bedford Development Associates LLC. The Sunday school at the rear of the church has been demolished, and construction on a new residential building began after permits were granted in November 2012. Information on the nature of the current construction was unavailable, and it remained unclear whether the current development is what was being proposed in 2007.



Brooklyn Daily Eagle. Church exterior, 1928



Construction at the rear of the church; church exterior. (Source: Greg Mirza-Avakyan)



5.3 RECOMMENDATIONS FOR FURTHER RESEARCH

In retrospect it would have been useful to include a case study where a historic church was unable to be saved. One can assume that a church that is located in a neighborhood that is undesirable, is losing population, lacks amenities, and presents no prospects for profitable use would not possess the qualities that would lead to its adaptive reuse. Furthermore, a church that is not designated as a landmark, has no support from preservation groups, neighborhood associations, or foundations would eventually fall into a state of irreparable disrepair could be condemned for demolition. Such a church would score low on the comparative matrix chart.

Let us assume hypothetical situation, where the following conditions hold true:

- The median household income in the census tract is below \$40 thousand and decreasing.
- Property values are decreasing.
- Population is declining and home sales are decreasing.
- Median Gross rent is decreasing.
- Poverty rate and unit vacancy are above 15%.
- Foreclosure risk is above 5 points.
- The church is the only building on the parcel.
- The church is not protected by any landmark status, is ineligible for the National Register, and not eligible for rehab tax credits.
- Eligible for Low-Income Housing Tax Credits (+) and is in a CDFI investment area (+).
- Located in an isolated part of the city, among industrial or vacant land uses.
- Has extremely high deferred maintenance costs , but is inexpensive to purchase (+++).
- Lacks support from foundations, local groups, the preservation community, community development organizations, and religious entities.

This church would only receive 5 points on the comparative matrix chart. Juxtaposing such a case study with successful adaptive reuse would better illustrate the importance of these features.

Furthermore, a valuable improvement to this research could include a broader geographic diversity of case studies and local conditions, and perhaps consider the changes to the successes of adaptive reuse outcomes over several decades.

Another way to strengthen the argument for adapting historic churches to community uses could be to study more examples of such uses in different parts of the country. There are several additional examples mentioned throughout the thesis.

Finally, further research could follow up on the case of the former Our Lady of Loreto Church to see if it has indeed been put to community use, and how well that model has worked. This particular case study is especially interesting because it could be the first case in Brooklyn where an adaptive reuse of the church building has been made possible by the successes of the associated affordable housing and the combined efforts of the preservation community, local activists, entrepreneurs, and the Diocese. In a way Our Lady of Loreto could hold the key the future of adaptive reuse of churches in America.

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APPENDIX I

TOOLS FOR THE ADAPTIVE REUSE OF HISTORIC BUILDINGS

The following tools can be used by property owners, preservationists, politicians, neighborhood associations, and Community Development Corporations interested in successfully adapting historic religious properties to new uses. Some of these tools do not apply to New York City. However, lobbying for policy changes could make some of these tools available in the future.

A. Preservation Tax Credits

The Tax Reform Act of 1976 established tax incentives for historic preservation and adaptive reuse. The first incentive allowed owners of historic buildings that were income-producing to write off rehabilitation expenditures over a five year period, rather than over the entire life of the improvements. An alternative incentive allowed owners doing substantial rehabilitation to their historic properties to write off the cost of improvements on the same schedule allowed for new construction (Bradford, 2006). The Revenue Act of 1978 created the first historic tax credit incentive. This incentive provided for a 10 percent investment tax credit on commercial buildings that had been in use for 20 years or more, provided these were historic properties. This incentive was furthered in 1981 by the Economic Recovery Tax Act (ERTA), which increased the rehabilitation tax credits to 25 percent, but eliminated the depreciation incentives passed in 1976. This legislation marked the beginning of the usage of the term “certified historic structure,” or any structure listed in the National Register of Historic Places.

The current, reduced tax credits, which stand at 20 percent, were established under the Tax Reform Act of 1986 (Listokin, Lahr, 1998). Though the reductions of 1986 caused investment to plummet from ERTA-era levels, in 1997 they were still substantial, at \$1.73 billion vs. \$2.42 billion in 1985 (Listokin, 1998). The Federal Historic Preservation Tax Incentives Program provides for a 20% tax credit for the certified rehabilitation of certified historic structures upon approval by the National Park Service as being consistent with the historic character of the property, as well as a 10% tax credit for the rehabilitation of non-historic, non-residential buildings built before 1936. Essentially, the party that bears the cost of rehabilitation receives a tax credit of 10% or 20%, so they receive these percentages deducted from the income tax amount they owe.

On the state level, Historic Preservation Tax Credits currently range from 10 to 50 percent in 28 states. Unlike their federal counterparts, the state tax credits are generally not limited to income-producing buildings, and can be applied to owner-occupied residences. New York State has split this function, offering tax credits to income producing properties, which must be used together with the federal incentives – giving the owner an additional 20% tax credit. There is also a New York State Historic Homeownership Rehabilitation Tax Credit, which covers 20% of rehabilitation costs of structures, but it only applies to houses. (New York State Office of Parks, Recreation, and Historic Preservation, 2012).

B. Low-Income Housing Tax Credits (LIHTC)

Importantly for the discussion of adaptive reuse outcomes, The Tax Reform Act of 1986 (IRC Section 42) also established a tax credit for the acquisition and rehabilitation, or new construction of low-income housing. The credit is approximately 9% per year for 10 years for projects not receiving certain Federal subsidies and approximately 4% for 10 years for projects subsidized by tax-exempt bonds or below-market Federal loans. There are two alternative sets of requirements. For one, at least 20 percent of the units must be rent restricted and occupied by households whose incomes are equal to or below 50 percent of the Department of Housing and Urban Development-determined area median income. As an alternative, 40 percent of all units must be rent restricted with household incomes equal to- or below 60 percent of the area median income. These income limits must operate for a minimum of thirty years.

C. New Market Tax Credits

Another type of tax incentives with potential for historic preservation and adaptive reuse is the New Market Tax Credit, which is administered by the Department of Treasury through the Community Development Financial Institutions (CDFI) Fund. The credit provides 39 percent of the original investment amount and is claimed over seven years. This tax credit is not directly awarded to a developer, but is instead allocated to Community Development entities, such as Local Economic Development Corporations, for redistribution. The main aim of this tax credit is to produce income-producing outcomes rather than residential development. The New Market Tax credit is a powerful tool

for community development-based historic preservation efforts, as it can essentially serve as a small business grant.

D. Tax Increment Financing

Although most states have adopted Tax Increment Financing, or TIFs, they have been especially popular in Illinois, and in Chicago in particular. TIFs are a public financing method that relies on hypothetical future gains in property taxes to subsidize current improvements meant to result in the increase in value and productivity of districts in need of investment. The program is designed primarily to fund the redevelopment of blighted areas, but can be used to preserve and renovate historic neighborhoods. After the area is designated as a TIF district, the City issues bonds for improvements, while the taxes to citywide coffers are frozen for property owners. As the values of properties appreciate any new tax increments go to projects in the TIF districts and a part of the generated funds is used to pay back the bonds originally issued to pay for upfront costs. The funding can be used for property acquisition, building rehab, infrastructure and related expenses. Taxes from new projects which are developed on parcels that have been bought and assembled by the city ultimately go to rehab blighted properties in TIF districts. Landmarks get priority in TIF funding. However, in order to qualify areas must possess numerous blighting factors, such as excessive vacancies, overcrowding of facilities, lack of ventilation or light, inadequate utilities, lack of physical maintenance, or excessive land coverage (CityofChicago.org).

Although location in the TIF district may serve to rehab many historic structures – and it has in some cases, it is not without its critics. One of the outcomes of an area becoming a TIF district is the perceived gentrification of the area, as districts formerly blighted and forgotten by developers suddenly become ripe for redevelopment. In addition, TIF districts rely entirely on the confidence of the buyers of the bonds that the increase in tax revenue will provide sufficient returns (Policy-wong.org). Ben Joravsky of The Chicago Reader has written a series of articles criticizing the TIF for its use of eminent domain to demolish entire swaths of areas that aren't necessarily "blighted", and containing dubious of "non-quantifiable public benefits. Preservation Chicago is in favor of TIF funding, stating that, "when used properly," it can "produce both positive economic impact and social benefits to the city," and it will continue to evaluate individual TIF projects "as they relate to historic preservation and comment accordingly" (Preservation Chicago, 2013).

In New York TIF financing legislation was first enacted in 1984, but is rarely used. Some say it is because it excluded school districts, and thus the resulting tax increment (the increase in property tax revenue) is too small to pay back the bonds for substantial projects and is too risky to invest in. As a part of the 2012 package of budget bills TIF financing has been amended to include school districts on the condition that the preliminary redevelopment plans are reviewed by the board of education of any school district in the project area (ICSC presentation, 2012).

According to the new regulations in New York State, the TIF process is as follows:

- The municipality and developer discuss the public-private partnership.
- The municipality performs “survey area study.”
- Local legislature chooses the “project area,” or TIF district.
- Municipality provides Preliminary Plans.
- Local planning agency reviews for plan consistency.
- Local school board reviews the Preliminary Plans.
- After approval local legislature approves the redevelopment plan.
- If school board wishes to opt-in, it must issue a resolution of approval.
- Following review by planning agency and public hearings, local legislature adopts the plan.
- TIF bond is issued, and the project proceeds.

It remains to be seen how the changes will affect the New York State’s use of this redevelopment strategy. The primary concern with the TIF districts persists in the definition of “blight,” – the main determinant of whether the district qualifies for the program. Because it is so vague, the implementation of the TIF financing is open to the abuse of the by the real estate sector and the wholesale demolition of relatively intact structures. It is a double-edged sword for preservationists because if the building is listed on the National Register, it is preserved, and if it isn’t, it might very well be torn down.

E. Class ‘L’ Property Tax Incentive

The state of Illinois provides this tax incentive to encourage the preservation of landmarked properties for commercial, multi-family residential, industrial, and non-profit use. Landmark owners can have their property taxes reduced for a ten-year period, provided they invest at least half of the value of the building in an approved rehabilitation project (Landmarks Illinois, 2013).

Normally, assessment levels for commercial and industrial buildings are 38% and 36% respectively. But under the Class L incentive, assessment levels for the building-portion of the assessment are reduced to 16% for the first 8 years, 23% in year 9, 30% in year 10. The other portion of

the assessment, the land-portion, is also eligible for the incentive in the building has been vacant or unused continuously for the previous two years. The Class L incentive is not a tax-freeze program; property continues to be reassessed, but at the local assessment levels.

To qualify for the Class L Incentive:

- The building must be a locally-designated landmark and be in a commercial or industrial use – class 5, under the County’s assessment classes;
- The owner must invest at least 50% of the building’s full market value in the rehabilitation;
- The local preservation commission must certify that the rehabilitation meets The Secretary of the Interior’s Standards for Rehabilitation of Historic Buildings;

After the tax incentive has been granted and the rehabilitation completed, the recipient(s) must file a report with the Assessor as to the continued landmark status of the property and the number of persons employed at the site.

F. Historic Preservation Easements

With this easement the National Park Service (NPS) allows historic property owners an option to ensure the preservation of their property. NPS defines the Historic Preservation Easement as a “voluntary legal agreement, typically in form of a deed, which permanently protects a significant historic property.” The owner is assured of the preservation of the property’s historic character, by the way of relegating this responsibility onto the organization that works in environmental protection, land conservation, open space preservation, or historic preservation (this is typically a non-profit organization such as New York Landmarks Conservancy). The easement restrictions “run with the land” in perpetuity, or, in essence prevent all future owners of the property from modifying the character of the property or otherwise damaging its historic integrity (National Park Service, 2010).

One might ask, why would an owner voluntarily give up the right to make modification to their property by donating a preservation easement? There are benefits. These include an eligibility for a Federal income tax deduction for the value of the easement, since the easement may be claimed as a charitable contribution deduction from Federal Income Tax, as well as eligibility for Federal estate tax reduction. A property owner conveying an easement on a historic building may also apply for the 20% Federal Historic Rehabilitation Tax Incentive program. Typically the value of the property is reduced because its marketability to future buyers diminishes as a result of added restrictions. An owner of a

property with a preservation easement must get approval from the easement holding organization before making alterations to the property. It may be difficult to apply preservation easements to adaptive reuse projects, as both the exterior and interior of such buildings may have been substantially modified; however, if the easement is only for the exterior of the building, those properties whose exterior has maintained historical character may still qualify.

G. Business Improvement Districts

Combining public and private, as well as city government elements, the Business Improvement District (BID) undertakes programs as diverse as providing sanitation policing, providing social services, infrastructure improvements, and business recruitment and retention. In 1999 there were over fifty such districts in New York City (Briffault, 1999). BIDs have been created to impose additional taxes on the businesses and landowners within designated districts to allow for a high degree of neighborhood-level decision making. The local revenues generated from BID taxes are used to fund the improvements discussed above, and to pay for the administrative costs of BID operations. According to Briffault, BIDs “kill two birds with one stone.” They provide funds to pay for services in commercial areas and ensure that the revenue generated is used for purposes that the property and business owners want. BIDs provide a low-cost tool for providing a healthy business climate for urban areas to compete with suburban amenities. Briffault also states that BIDs are credited with “restoring urban morale and making older downtowns more attractive places to shop, visit, do business, and seek entertainment.” BID advocates attribute their success to their freedom from “bureaucracies, entrenched interests, electoral calculations, or even ideology” (Feiden, 1992).

While BIDs have many critics who argue that, among other things, BIDs essentially close off public areas to the poor, homeless, and street vendors, and produce other wealth-based inequalities in the delivery of public services, they can do a great deal in making previously neglected areas ripe for revitalization. While BIDs may not directly invest money in the purchase and the renovation and/or adaptive reuse of old churches, the correlation between center-city revitalization and adaptive reuse is not tenuous. Sparked by increased entrepreneurship, more pleasant streetscapes, increased safety, and a vibrant business climate, many old churches in BID districts could eventually become prime targets for commercial adaptive reuse. A commercial enterprise housed in a BID district church could potentially benefit from New Markets Tax Credits and Main Street funds, as well.

H. Adaptive Reuse Ordinances

The Community Redevelopment Agency (now CRA/LA) and the City of LA have continued to champion adaptive reuse, particularly after the riots of 1992. In 1999 a formalized adaptive reuse program was introduced with the aim of revitalizing downtown LA and to encourage live/work communities. The buildings eligible for the program lie within the “Downtown Los Angeles Incentive Areas.” To qualify, buildings must have been constructed prior to July 1, 1974, be on the National Register of Historic Places, the California Register of Historic Resources, or the City of LA List of Historic-Cultural Monuments, or be within National Register Historic Districts or Historic Preservation Overlay Zones.

Besides providing additional housing the Adaptive Reuse Ordinance was produced to streamline the application process and provide more flexibility in meeting building code and zoning requirements. Buildings are subject to exemptions from compliance, which could encourage the conversion of underutilized commercial buildings. Further, many non-conforming conditions, such as density requirements, building height, parking, floor, area, and setbacks are permitted under the ordinance without requiring a variance. The project was so successful that it was expanded to multiple neighborhoods in 2002.

Perhaps most importantly for the success of the ordinance are the numerous incentives introduced to encourage adaptive reuse. The requirement for new parking space has been dropped, lot area standards are waved, meaning that there is no limit on the amount of apartments or live/work units, as long as no new floor area is added. When existing buildings are converted to adaptive reuse, non-conforming floor areas, setbacks, and height are “grandfathered in,” thus foregoing the requirement for a variance. In addition, if the developer does not use the density incentive, he or she is eligible for the 20% Affordable Housing Bonus. If this incentive is not used, it can be transferred to another site. Furthermore, historical buildings in the designated Adaptive Reuse Ordinance districts are exempt from CEQA (California Environmental Quality Act) requirements (Brown, 2009). Additionally, the ordinance relaxes zoning and building code requirements, designed to make the units relatively easy to convert and build, but attractive to live in.

Federal incentives, such as the 20 % rehabilitation tax credit on private investment in rehabilitation income producing old and historic buildings, and a 10 % tax credit on private investment in non-historic and non-residential buildings can be used in addition to the ARO incentives. The Mills Act, a

state incentive which provides property tax relief of up to 50% in exchange for continued preservation of a historic property, and Investment Tax Credits, which enable developers to claim a tax credit for rental housing projects of 4% per year for ten years can also be used together with the ARO and Federal incentives.

The ordinance has been an overwhelming success. The revitalization encouraged mixed commercial and residential uses, improved air quality and reduced vehicle miles by locating residents, jobs, hotels and transit services close to one another. (Bullen, 2009). Prior to the sub-prime crisis of 2008 the program exceeded the expectations for rising property values and reduced vacancy rates. Downtown LA's total assessed value rose from \$4.2 billion in 1997 to \$6.05 billion in 2004. Rental rates for residential property rose above \$2/sq.ft per month up to as much as \$3.50/sq.ft. with occupancy at 91.58 per cent (DCBID, 2005). As a result of the ordinance, the total of residential units in Downtown Los Angeles increased from 11,670 just before the ordinance to a projected figure of 37,790 by the 2008-present. Of course, not all of these units are adaptive reuse projects, but as an illustration of the success of the ordinance, in 2005 alone, 6,556 adaptive reuse units had been completed, of which the majority are market rental units, and only 16 percent are affordable housing. Bullen does acknowledge, however, that despite the positive outcomes, social equity issues were not properly addressed, as illustrated by the exclusion of low cost housing in the projects.

I. Additional tools and solutions

Listokin and Lahr's 2008 article proposes changes to tax credits, changes to building codes, and a "tiered" system of historic property designation, depending on their significance. Furthermore, the article seeks to quantify the benefits and contributions of historic preservation to rehabilitation, housing, heritage tourism, and downtown revitalization of cities.

One remedy offered by Listokin is to adopt a tiered approach in designating historic properties, such as the strategies already implemented in Atlanta and San Francisco. Such a strategy may facilitate community and economic development, Listokin claims, since less significant historic properties, designated "contributory," could be renovated under more lax standards, which would bring about more affordable housing. When only the most significant properties are subject to stringent controls, the accusation that preservation slows down development could also be addressed. Listokin also proposes extending Federal Historic Preservation Tax Credits to homeowners for their personal properties (non-income producing properties). If such a system is adopted, bigger tax credits could be

given to less advantaged owners, which could encourage property upgrading under the new, more lax provisions.

The building code is identified as another barrier to successful building rehabilitation. Listokin proposes changing the building code to allow the adaptive reuse of the second floor of downtown commercial buildings, which is prohibited in most places. This solution, however, does not address the question of adapting churches to new uses.

Architect Robert Scarano suggested that the best legislative solution to rescue and reuse historic churches would be to allow landmarked churches to sell their air rights. If they can't transfer development rights and allow additional floor area (FAR) to be used when there are not adjacent development parcels, it often does not make economic sense to purchase the property and redevelop it (meaning, to demolish it). Scarano argues that if these landmarked properties were allowed to sell their development rights (perhaps affordable housing FAR) to other projects in the city, that would make adaptive reuse of churches that much more attractive.

Anne Friedman of New York Landmarks Conservancy suggested that excluding historic churches from the Secretary of Interior's Standards for Rehabilitation for churches could save many church buildings from remaining unused and deteriorating further. Already, the Standards do not apply to factory buildings – and factory conversions have been tremendously successful. Friedman said that legislators should consider the sheer amount of redundant churches coming online, and relax the Standards for this particular building type. "The basic tenets and principles can still be applied, and the important decorative components can be retained to the greatest possible extent" she said, "but if you can't subdivide the space at all, you are creating a standard that is impossible to meet."